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Japan

Tokyo Plans To Seek ASEAN Support for Summit

OW1607034493 Tokyo KYODO in English 0300 GMT 16 Jul 93

[Text] Tokyo, July 16 KYODO—Japan will call on Malaysia and other Southeast Asian countries to support a proposed summit of the Asia-Pacific Economic Cooperation (APEC) forum, government sources said Friday [16 July]. The sources said Japan will send special envoys, if necessary, to Kuala Lumpur and other Association of Southeast Asian Nations (ASEAN) capitals to win backing for an informal APEC summit in Seattle in November.

Malaysian Prime Minister Mahathir Mohamed, the advocate of an East Asian economic caucus which excludes the United States, is opposed to a summit.

U.S. President Bill Clinton offered to stage a gathering of leaders of APEC's 15 member states while in Tokyo last week for the Group of Seven economic summit. Singapore and the Philippines welcome the proposal but other ASEAN countries are said to be cautious.

ASEAN groups Indonesia, Malaysia, the Philippines, Singapore, Thailand and Brunei.

Defense Paper To Stress Dialogue With Asia

OW1607130293 Tokyo KYODO in English 1247 GMT 16 Jul 93

[Text] Tokyo, July 16 KYODO—Japan's 1993 annual defense paper will stress the importance of promoting dialogue among Japan, South Korea, Russia and Southeast Asian countries in the post Cold War era, informed sources said Friday [16 July]. The sources quoted the second chapter of the paper, entitled Japan's defense, as saying Japan promotes dialogue among defense officials from the nations' governments as part a framework for Asian-Pacific security.

The paper, which the Defense Agency is to compile and submit to the cabinet July 30, cited the February visit of Russian military officers to Japan as part of the process of promoting direct defense dialogue between the two nations.

Russia's predecessor, the Soviet Union, was one of Japan's arch enemies in the 45-year cold war era beginning shortly after World War II.

Japan has stepped up efforts to promote dialogue with Asian and Pacific nations to promote peace and stability in the region, sources close to the agency said.

The participation of the Japanese Self-Defense forces (SDF) personnel in United Nations peacekeeping missions will make it necessary for Japan to hold such dialogues with countries in Asia and the Pacific.

Japan has sent 600-member ground self-defense force engineering troops to Cambodia to repair roads and bridges as part of the 22,000-member U.N. Transitional authority in Cambodia. But Japan remains wary of collective security systems such as the Conference on Security and Cooperation in Europe (CSCE) since Asia has diverse national interests, cultures, religions and security policies, said an agency official on condition of anonymity.

The CSCE, founded in Helsinki in 1975, was meant to create trust-building measures between U.S.-led nations in Western Europe and Soviet-led countries in the cold war era. Since the end of the cold war, the system has developed into a forum for dialogues on peace and security among all European nations and five former Soviet Asian republics.

Regarding North Korea, the defense paper will say Japan is worried about development of the new Nodong 1 missiles, which Japan says are capable of striking Japan from the communist country.

Last May, North Korea successfully tested the new missile which has a range of 1,000 kilometers, within reach of western Japan, the agency said.

The defense paper will also touch on four Russian-held northern islands, saying Japan would welcome reduction of the number of MiG-23 fighters stationed on the island of Etorofu, the sources said.

The paper calls for Russia to carry out complete withdrawal of the 43 fighters stationed on the island, which Japan claims is its inherent territory along with Kunashiri, Shikotan and the Habomai islets.

Party Leaders Discuss General Election

OW1607082293

[Editorial Report] In a special program that lasts for two hours starting at 0000 GMT on 11 July, Tokyo NHK General Television Network in Japanese broadcasts recorded speeches by representatives of nine political parties, including Kiichi Miyazawa, president of the Liberal Democratic Party [LDP], and Sadao Yamahana, chairman of the Social Democratic Party of Japan [SDPJ].

Other speakers in the Sunday special program entitled "Choice of Government in 1993: Appeals From Heads of Political Parties" are Koshiro Ishida, chairman of Komeito; Tsutomu Hata, head of Shinseito [Japan Renewal Party]; Tetsuzo Fuwa, chairman of the Japan Communist Party [JCP]; Keigo Ouchi, chairman of the Democratic Socialist Party [DSP]; Masayoshi Takemura, representative of Shinto Sakigake [Harbinger]; Satsuki Eda, representative of the United Social Democratic Party [USDP]; and Morihiro Hosokawa, representative of the New Japan Party [NJP].

Miyazawa's speech is delivered on a stumping tour in Hiromae, Aomori Prefecture, on 10 July. He begins his speech by explaining about the Tokyo summit, of which he served as chairman. He says: "The common problem with the major industrialized nations is that they have very high levels of unemployment—even though Japan is an exception. The unemployment rate in the countries like those which attended the summit exceeds 10 percent. This means that while there are 10 people who want to work, one has to do without a job. While this is a very high rate, this situation is not about to go away. Under normal circumstances, if public works projects were undertaken, that would help the economy recover and would thus reduce unemployment. We used to think that way. But the fact of the matter is that that is not happening any more."

Miyazawa also says: "Another problem is that all nations—except Japan—have deficits in trade. I was chairman in the meeting of six people. Only Japan was the surplus country, and I really did not feel comfortable with the fact that Japan was a surplus country at the expense of all others there. Besides, they spoke very frankly. They said while Japan is enjoying such a large surplus, people in Tokyo and Osaka are living in houses that look like rabbit hutches. These people can hardly be said to be living like human beings. They asked me when Japan has such power to export, why does not it build more houses. I really had no answer to that. After all, what they said was correct."

Turning to the subject of the forthcoming general election, he says: "What is required of a government is that it must have stability and leadership. If a government is unstable when there are difficult problems inside and outside the country, that is undesirable. I would like you to note that point once again when you cast ballots in the forthcoming election."

Miyazawa refers to the opposition parties' move to form a coalition government following the election, and says: "They talk about running a government in coalition. But I would like to remind you that the largest of the opposition parties is the SDPJ and to note that there are big differences in thinking in policy matters between the SDPJ and the LDP. It is not just between the LDP and the SDPJ. There are big differences in policies between the SDPJ and other opposition parties—except the JCP—as you are aware."

"For instance, the SDPJ even now says the Self-Defense Force [SDF] is against the Constitution. I think it was last week. In a debate among party heads, Chairman Yamahana said clearly before me and with many people listening that the SDF, as it is now, violates the Constitution. Now, if that is the given condition, let us suppose the several hundred people of the SDF in Cambodia have completed their duties and are coming back home. And suppose that party was in power. What would the government say to the troops. Normally, when they come home, we are supposed to say thanks to the troops for the efforts they made there. I do not think we should tell them that they have returned after violating the Constitution."

Miyazawa keeps on discussing the SDPJ, recalling that even though the party has objected to the passing of budgets in the Diet every time in the past under the grounds that the SDF was unconstitutional, it is now saying that it is willing to succeed major policies of the present government if it takes over power. Miyazawa repeats his plea with the audience to vote for his party, emphasizing Japan needs a "stable" government, and promising that "political reform" will be carried out under the new administration.

The LDP president admits given conditions for his party are tough. He says, "I think we are in the most serious crisis in the party's history." He solicits the audience's understanding, concluding: "We are facing the election with the feeling that we are scaling a rock using our nails only."

Miyazawa's speech ends at 0047 GMT, and is followed immediately by a recorded speech of SDPJ's Yamahana given in Chiba Prefecture on 9 July. Speaking to a party rally, Yamahana insists: "Never before have issues been so clear in an election as they are this time. This is a historic election. The campaign is about whether the LDP will continue in power or a coalition government will be formed with the SDPJ axis."

He declares: "The LDP's one-party rule that has gone on for the past 38 years is coming to an end. And a new page of history has opened with the breaking up of the LDP."

Yamahana chides the LDP, and says: "The prime minister keeps on saying that he wants to challenge the task of political reform once again. But who will believe him? If you listen to speeches of the LDP-fielded candidates, they all talk about political reform. But I must declare that they are not even qualified to speak about reform at all."

He recalls that in a meeting with leaders of other opposition parties, the SDPJ and four other parties agreed that a coalition government to be formed after the election should take over the present government's basic policy on defense and foreign affairs. Rebutting the criticism of the LDP about the agreement, the SDPJ head notes: "They call us conspirators but in fact they are the ones who are conspiring."

At 0048 GMT, Yamahana's part of the program ends, and a recorded speech by Komeito Chairman Koshiro Ishida follows, given in Ashikaga, Tochigi Prefecture, on 8 July. Speaking about the general election, Ishida insists: "We must make the most of this chance, and bring a change to the politics of Japan."

Ishida gives his view on why the LDP chose not to implement the political reform as it had promised. Ishida says the LDP was afraid it would lose more parliament seats under a new electoral system. He then brings up the corruption problem of the ruling party, and says the whole election system must be changed once a new government comes in.

The Komeito head laughs at the LDP's talk about trying once again to implement political reform. He notes the LDP crushed such attempts during the Kaifu administration and again during the Miyazawa administration. "They are making fools of the people," he insists.

Ishida's speech ends at 0103 GMT, and a recorded speech by Tsutomu Hata, representative of Shinseito, follows. This speech was given in Sapporo, Hokkaido, on 7 July. Hata's voice is hoarse. He explains why he and his colleagues bolted from the LDP to form a new party. He recalls someone in the LDP called him "a rebel," but asks them why they made him and his colleagues "rebels."

He says, "This country must become a country that is trusted by the world community." He adds: "When I met with Mr. Clinton yesterday, I told him I truly regret that the country had to receive him and top leaders of nations under such a sorry state of government. I also explained to him that this also can mean democracy exists in this country. I found President Clinton was not concerned about the problem at all. He said the world is moving, and the world wants to change. He said: 'This move is not undesirable, and, in fact, is welcome. I am sure that a new Japan will be born out of this move.' This was what he said."

Hata continues: "The world is indeed moving very fast. If Japan does not play its role properly, it will become isolated from the world. Japan must not forget that it owes the world for what it has become now."

The newly formed party's head explains why Japan's election system needs to be changed. He says the political corruption problem can be remedied only by changing the system.

Hata's speech is followed by a speech by JCP Chairman Tetsuzo Fuwa at 0115 GMT. It is a recording of a speech he gave at Narashino, Chiba Prefecture, on 9 July. The Communist Party head hits at both the LDP and the non-LDP forces. He insists: "Even the opposition parties of the past brought down their party banners, and joined the non-LDP forces. Although the people agree that the LDP government is wrong and needs to be changed, the only party which declares to be against the LDP squarely is the JCP."

Fuwa's speech is followed by speeches by Keigo Ouchi, chairman of the DSP; Masayoshi Takemura, head of Sakigake; Satsuki Eda, representative of the USDP; and Morihiro Hosokawa, head of the NJP in that order.

In his 5-minute speech starting 0154 GMT, Hosokawa says many people ask him which political force the NJP will choose to side with in forming a coalition government after the general election. He explains, "The question is a very difficult one to answer. I myself cannot make a clear-cut answer. But what I can say clearly is that I have no wish to shake hands with the LDP which crushed the political reform. I would like to make that point clear at least."

Multiparty System 'Would Serve' Farm Interests

OW1507124093 Tokyo KYODO in English 1222 GMT 15 Jul 93

[Text] Tokyo, July 15 KYODO—The next leader of an agricultural cooperative organization said Thursday [15 July] a multiple-party system in Japan would serve the interests of farmers. The creation of a coalition government after the coming general election would provide the farm industry with more opportunities to have its opinions reflected in the nation's agricultural policy, said Yoshiharu Sato, who was named Thursday to head the Central Union of Agricultural Cooperatives (Zenchu).

Sato, now vice president of the union, said the agricultural policy under the sole leadership of the ruling Liberal Democratic Party (LDP) has had only limited results. A multiple-party system, however, would deepen general understanding of farmers and their position, Sato told a press conference.

Sato reaffirmed the union's opposition to a sweeping tariffication plan proposed by the General Agreement on Tariffs and Trade (GATT) that would lead to the opening of Japan's rice market.

A proposal made in December 1991 by then GATT Director General Arthur Dunkel calls for converting all existing nontariff trade barriers into tariffs for eventual elimination.

A successful conclusion of the Uruguay Round of global trade talks would be impossible without modifications to the Dunkel proposal, Sato said.

The Japanese Government opposes the proposal, insisting acceptance of such a plan would endanger Japan's efforts to ensure self-sufficiency of staple food, including rice.

Sato will replace Mitsugu Horiuchi, who decided not to seek another three-year tenure as president of the powerful agricultural organization, apparently to take blame for an illicit rice deal involving a prefectural economic organ he heads. Sato's appointment, approved by the union's extraordinary general meeting, will take effect July 26.

Miyazawa Ignores Kaifu's Call To Step Down

OW1607062793 Tokyo KYODO in English 0614 GMT 16 Jul 93

[Text] Hiroshima, July 16 KYODO—Prime Minister Kiichi Miyazawa on Friday [16 July] brushed aside a call from within his party for him to resign after the July 18 general election.

Replying to questions at a news conference in Hiroshima in western Japan, Miyazawa said, "There is something unclear about their demand. I don't take it seriously because they do not mean it."

Former Prime Minister Toshiki Kaifu and his reform-minded supporters have urged Miyazawa to resign if the ruling Liberal Democratic Party (LDP) suffers a crushing defeat in the general election.

Miyazawa, who was on a stumping tour in his home constituency of Hiroshima Prefecture, criticized the opposition call to form a unified non-LDP parliamentary group in the Diet after the election.

The prime minister said, "There should be an agreement in policy when (parties) get together. I cannot understand if there is a gap between their real intention and polices."

Yuichi Ichikawa, secretary general of the second largest opposition Komeito, urged other noncommunist opposition parties on Thursday to form a unified parliamentary group after the election.

Komeito, the Social Democratic Party, the United Social Democratic Party, the Democratic Socialist Party and Shinseito—which broke away from the LDP—have agreed to cooperate in the election in hopes of forming a coalition after the election.

In a television news program later in the day, Miyazawa ruled out the possibility of raising the rate of the 3 percent consumption tax to implement an income tax cut. The consumption tax was introduced in April 1989.

JNP, Sakigake To Field Joint PM Candidate

OW1607055793 Tokyo KYODO in English 0543 GMT 16 Jul 93

[Text] Kumamoto, July 16 KYODO—The Japan New Party (JNP) and Sakigake will jointly field a candidate for prime minister [PM] at a special session of the Diet after Sunday's [18 July] general election, JNP chief Morihiro Hosokawa said Friday.

Hosokawa's remarks indicate he or Masayoshi Takemura, chief of Sakigake (Harbinger), a breakaway conservative party from the ruling Liberal Democratic Party (LDP), would run in a Diet vote for prime minister. However, Hosokawa did not clarify his stance on what the two parties would do in the event of a runoff election, a required vote for the top two premiership candidates if no one wins a majority in the first round.

He said he cannot say anything about a possible runoff vote at the moment as he will have to wait and see the results of the general election.

The JNP and Sakigake, which have agreed to form a parliamentary group after the general election and refuse to join a proposed coalition with other opposition parties or the LDP, are predicted to capture enough seats to hold a swing vote in the Diet. The LDP faces the strong possibility of losing its 38-year lower house majority in the general election.

The Constitution stipulates the special Diet session be convened within 30 days of the election to elect a prime minister.

Hosokawa, a former governor of Kumamoto Prefecture, was visiting the prefectural capital to cast an absentee ballot for the general election.

Ouchi Negative on Unified Parliamentary Group

OW1607131493 Tokyo KYODO in English 1224 GMT 16 Jul 93

[Text] Tokyo, July 16 KYODO—Keigo Ouchi, chairman of the Democratic Socialist Party (DSP), expressed opposition Friday to a proposal to form a loose parliamentary group among noncommunist and nonruling party forces after Sunday's [18 July] general election. "A unified parliamentary group should not be set up without a prospect for creating a new party based on it," Ouchi said in a street campaign speech in Tokyo.

He said the DSP will never join a unified group unless it narrows down differences over main policy issues with other forces, namely the largest opposition group, the Social Democratic Party (SDP).

The policy gaps include such key issues as Japan's security and its self-defense forces. "If we join a unified parliamentary group before reaching consensus over policy issues with other parties, people will wonder if the DSP has no principles," he said.

Ouchi's remarks came a day after Yuichi Ichikawa, secretary general of the No. 2 opposition Komeito, proposed establishing a joint parliamentary group after the Sunday poll.

Ouchi also spoke of the need to unite members of the ruling Liberal Democratic Party (LDP), the SDP, and three newly created parties who share political views with the DSP and form a coalition government.

The three new parties are the Japan New Party (JNP) and two LDP splinter groups—Shinseito (Japan Renewal Party) and Sakigake (Harbinger). The JNP was formed in May 1992, while the other two were established in late June after the dissolution of the lower house.

Deputy Premier Gotoda Leaves Hospital

OW1607120793 Tokyo KYODO in English 1133 GMT 16 Jul 93

[Text] Tokyo, July 16 KYODO—Deputy Prime Minister Masaharu Gotoda left a Tokyo hospital on Friday [16 July] after an eight-day stay for treatment of diabetics and a heart ailment, doctors said.

Gotoda, who has been mentioned as a likely successor to Prime Minister Kiichi Miyazawa, booked into hospital on July 8 hours after attending a banquet hosted by Emperor Akihito for the Group of Seven (G-7) summit leaders.

Gotoda, 78, told a news conference he may have to return to hospital for further treatment of his diabetes. He expressed disappointment at being unable to help the ruling Liberal Democratic Party (LDP) in campaigning for Sunday's [18 July] general election because "it is my duty as deputy prime minister."

Doctors said Gotoda needs hospital treatment "for one or two weeks." They blamed exhaustion for Gotoda's heart ailment, and said he is completely cured.

A veteran legislator, Gotoda warned LDP candidates against resting on their laurels after opinion polls predicted a good showing for Sunday's House of Representatives election. He declined to speculate about his prospects for the premiership, telling reporters it was inappropriate of them "to throw such questions."

Gotoda was rushed by ambulance to the Japanese red cross medical center on July 8 after he complained of sudden fits of "dizziness" and transferred the next day to the Mitsui Memorial Hospital.

Joint Venture To Start Satellite News Program

OW1607013593 Tokyo KYODO in English 2355 GMT 15 Jul 93

[Text] Tokyo, July 16 KYODO—Mitsui and Co. has reached a basic agreement to begin a satellite broadcasting program that specializes in business news in Asia, a major economic daily reported Friday. The NIHON KEIZAI SHIMBUN said NBC, one of the three major networks in the United States; Pearson Plc, the parent firm of THE FINANCIAL TIMES; and Hong Kong-based Star TV are also involved in the deal.

The parties involved will set up a satellite broadcasting company as early as October in Hong Kong to air a 24-hour financial and business English-language news program the newspaper said.

The program will include business news broadcasts from NBC and published reports by THE FINANCIAL TIMES and cover stock, foreign exchange and commodities markets in Asia, it said.

Civil Service Gains Popularity Amid Recession

OW1407132993 Tokyo KYODO in English 1004 GMT 14 Jul 93

[Text] Tokyo, July 14 KYODO—Faced with harsh competition for fewer jobs in private businesses due to the economic slump, more and more university graduates opt for the safe side—civil service. A KYODO News Service survey shows that the number of university and junior college students taking the June entry exams for high-level civil service posts on the municipal and prefectural level increased by a national average of 30.2 percent over the previous year.

With a 16.6 percent increase in applications over 1992, top-level posts in the national civil service seem to be similarly attractive to the students who will graduate in the spring.

Applications for entry into the local or national civil service dropped continuously after a peak in 1978, a downward trend that was reversed slightly only about two years ago.

A total of about 67,673 students participated in high-level civil service exams this year. In 21 prefectures, including Aichi, Hiroshima and forerunner Okinawa, where applications increased by 80 percent, the rise in applications for the civil service exceeded 30 percent, the documents show.

In 37 of 47 prefectures across the nation, the increase in applications was the highest in 10 years.

Conspicuous was the high number of female applicants. About 21,079 women took the June exams, an increase of 39.8 percent over 1992.

The women's especially high interest in civil service posts may be linked to a significant drop in job offers for women in the private sector.

In 12 prefectures, including Okinawa, Gifu and Tochigi, applications from females more than doubled. Meanwhile, the women's ratio among civil service applicants increased from about 10 percent a decade ago to 31.1 percent this year, the first time that it surpassed the 30 percent mark.

Other factors than the prospects of a stable job in a recessive economy, such as better working conditions, may have also contributed to the sudden popularity of the civil service.

Among others, Fukushima, Chiba and Shizuoka Prefectures, for instance, have introduced a five-day working week for their employees.

Employees of Miyagi and Miyazaki Prefectures are granted more freedom in organizing their own work instead of receiving orders from a superior.

Ibaraki, Toyama and Kagoshima Prefectures have improved their recruiting activities and examination systems.

Job openings for the civil service in fiscal 1994 will nevertheless drop in 29 prefectures due to a smaller number of retirees.

With Tokushima Prefecture, where the total of civil service applications is 19 times higher than the number of expected openings at the top, the ratio of job seekers and job openings stands at an average 10 to one.

Ministry Appeals for Equal Employment for Females

OW1607083293 Tokyo KYODO in English 0815 GMT 16 Jul 93

[Text] Tokyo, July 16 KYODO—The Labor Ministry sent a letter on Friday [16 July] to economic organizations appealing for equal employment opportunities for female students, ministry officials said.

The officials said the ministry took the action after an increasing number of companies turned down applications by female university and junior college students seeking jobs next spring.

The letter was sent in the name of Nobuko Matsubara, director general of the Women's Bureau, to economic organizations such as the Japan Federation of Employers Associations (Nikkeiren) and the Japan Chamber of Commerce and Industry, they said. The letter urged them to improve the situation, citing the law guaranteeing equal employment rights for men and women, the officials said.

Panel Urges Policy Shift To Improve Living

OW1507104193 Tokyo KYODO in English 1029 GMT 15 Jul 93

[Text] Tokyo, July 15 KYODO—A Finance Ministry study group called on the government Thursday [15 July] to shift its industry-oriented policy to one of improving living standards. The appeal was contained in a report unveiled by the Group on Research Into the Burden Sharing Between the Government and Private Sector under the ministry's Institute of Fiscal and Monetary Policy.

The report said the time has come for the government to change its policy of giving priority to the development of industry, while making the administration more transparent and simple. It said the traditional government policy aimed at strengthening coordination between the government and industry to stimulate economic growth is at a turning point amid intensifying international trade friction.

The report urged the government to simplify its intervention in industry through administrative guidances and promote disclosures of administrative information to restore public confidence.

The report called for tax system reform to tighten the levy on land holdings and capital gains in order to prevent the gap between the rich and poor widening.

It warned that the excessive mobilization of fiscal measures, such as an economic package implemented in April, could increase the budget deficit, leading to possible tax hikes in future. The report, however, justifies the government's intervention in the financial markets, citing their importance for stability of the overall economy.

Consumers Changing 'Pattern of Spending'

OW1507122193 Tokyo KYODO in English 1153 GMT 15 Jul 93

[Text] Nagoya, July 15 KYODO—Japanese consumers tightened their belts in the wake of the burst "bubble" economy, changing the pattern of spending behavior, a commercial bank reported Thursday [15 July]. Tokai Bank said the change became clear in a survey in which price movements of 60 select consumer products, such as clothing and electric appliances, and retail prices between 1987 and 1992 were compared.

The survey showed that the increase ratio of purchase prices exceeded that of the retail prices for 45 of the 60 items during the height of the bubble economy between 1987 and 1990. This indicates consumers were willing to buy higher-priced products during this period even though lower-priced items were available, the Nagoya-based bank said.

In seven items, the rise of purchase prices was slower than that of the consumer prices, it said.

After the bubble burst, however, the number of goods for which the increase rate of purchase prices surpassed that of retail prices declined to 23 items during the period between 1990 and 1992, the bank said. In 27 items, the rise in purchase prices was smaller than that of the retail price tag, it said.

The bank said consumers turned thrifty in purchasing items such as cars, handbags and clothing, but continued to buy high-priced shoes, socks, children's clothing, umbrellas and travel bags.

Defense Agency To Award 4th Escort Ship Order

OW1507023893 Tokyo KYODO in English 2342 GMT 14 Jul 93

[Text] Tokyo, July 15 KYODO—The Defense Agency has tentatively decided to award Ishikawajima-Harima Heavy Industries Co. (IHI) a 40 billion yen contract for an escort ship equipped with the Aegis weapons-control system, the NIHON KEIZAI SHIMBUN said Thursday [15 July].

The Japanese Government has allocated the funds for the Aegis-system ship, one of a total of four, in the fiscal 1993 budget. Orders for the other three Aegis-equipped vessels have gone to Mitsubishi Heavy Industries Ltd., the leading economic daily said.

The Aegis system is designed to track and destroy dozens of incoming missiles or aircraft simultaneously.

North Korea

Geneva Group Head: Talks With U.S. 'Productive'

SK1507133093 Pyongyang Korean Central Broadcasting Network in Korean 1310 GMT 15 Jul 93

[Text] Talks between the DPRK and the United States of America were held in Geneva on 14 July. After the talks, First Vice Foreign Minister Kang Sok-chu, who is leading our country's delegation, answered reporters' questions about the talks.

The head of the delegation said that the delegations of the DPRK and the United States of America sincerely [chinjihage] held discussions on a solution to the nuclear issue for seven hours in the U.S. Mission in Geneva. He said that the two delegations shared the view that the talks were useful [yuikhada] and productive [saengsanchok].

He also noted that the delegations agreed to hold the next talks in the DPRK Mission in Geneva on 16 July.

Foreign Groups Support Talks

SK1607051493 Pyongyang KCNA in English 0430 GMT 16 Jul 93

[Text] Pyongyang, July 16 (KCNA)—The Ghanaian National Institute of the Chuche Idea and the chairman of the Lebanese Committee for the Reunification of Korea expressed support for the DPRK-USA talks.

Zahir Al Khatib, member of Parliament and chairman of the Lebanese Committee for the Reunification of Korea, at a press conference July 5 called on the United States to approach the future talks with the DPRK with a sincere stance to observe the principles of the joint statement.

He expressed the belief that the talks would contribute to denuclearizing the Korean peninsula and promoting world peace and friendship and the hope that Korea would be reunified by the confederacy formula.

The Ghanaian National Institute of the Chuche Idea issued a statement on July 8 accusing the United States of posing nuclear threat and disturbing peace on the Korean peninsula and urging the U.S. to commit itself to the non-use of nuclear threat.

Considering that the DPRK-USA talks was a political process dealing with policies, not a dealing on the problem of the DPRK's withdrawal from the Nuclear Nonproliferation Treaty, the institute urged the United States and South Korean authorities to immediately stop nuclear threat on the Korean peninsula, stressed the statement.

Ministry Denies Forces Deployed on PRC Border

SK1507154993 Pyongyang Korean Central Broadcasting Network in Korean 1505 GMT 15 Jul 93

[Text] The DPRK Foreign Ministry spokesman answered a Korean Central News Agency [KCNA] reporter's question on 15 July concerning the false report recently made by a South Korean news agency that our enormous armed forces are deployed on the DPRK-PRC border and placed on alert. His answer follows:

Some time ago, a South Korean news agency gave a groundless report that we deployed armed forces intensively along the border with China, intensified alertness, and so forth.

This report is totally groundless and fictitious. The continued South Korean publications and reports are false and are part of contemptible slanderous maneuvers to alienate the DPRK and the PRC and to isolate the DPRK by all means.

The South Korean authorities' attempt to cause a crack [kumi kada] in DPRK-PRC friendship with such a foolish trick is useless. The DPRK-PRC friendship is a traditional friendship with deep roots and is a firm friendship which overcame various trials throughout history.

The DPRK and PRC peoples fought in the same trenches shoulder to shoulder against common enemies. Our people have always treasured DPRK-PRC friendship.

Today the friendship between the peoples in DPRK and PRC continues to be consolidated and developed even in this complex international situation. The enemy cannot destroy DPRK-PRC friendship with any slanderous smear maneuver.

Russian 'Slanders' on Nampo Incident Denounced

SK1607101893 Pyongyang KCNA in English 1004 GMT 16 Jul 93

["Foreign Ministry Spokesman on Russian Side's Act To Impair DPRK's Image"—KCNA headline]

[Text] Pyongyang, July 16 (KCNA)—A spokesman of the DPRK Foreign Ministry answered today a KCNA question on the slanders hurled recently by the Russian side to the DPRK over an incident that broke out in Nampo, a local city, between people there and mainly officials of the Russian trade mission.

He said:

Officials of the Russian trade mission in Pyongyang, early in July, went down to Nampo without reporting to the Korean competent organ and, worse still, committed a rude and impudent act against local people without so much as elementary morality.

Such insulting act of the Russians whipped Koreans into irrepressible anger.

This notwithstanding, Russia, far from admitting its responsibility for the case and apologizing for it, is spreading a distorted report, alleging that the case was organized by the DPRK.

Worse still, Russia hurriedly spread a false report without inquiring into the case and, further, let an official person of the Foreign Ministry release a "statement."

This makes it plain that Russia is trying to damage the image of the DPRK, politicizing the case intentionally.

This cannot be construed otherwise than a deliberate act of Russia to aggravate the existing relations between the two countries.

The Russian Government must know that we showed rare self-control when Russian crewmen did outrageous acts against local people in Korea and Russians assaulted and even murdered our citizens in various parts of Russia including the Far Eastern area.

If the Russian side continues its indiscreet campaign over this incident without deep consideration, affecting the state relations, we will be compelled to calculate the past things and take a countermeasure.

Daily: South Army Restructuring 'War Plan'

SK1607052993 Pyongyang KCNA in English 0450 GMT 16 Jul 93

["Arms Buildup Against North"—KCNA headline]

[Text] Pyongyang, July 16 (KCNA)—The South Korean "Defence Ministry" recently made public a "program to improve" the structure of the puppet army by reinforcing the Airforce and Navy and equipping the ground force with more offensive weapons under the pretext of a "balanced development" of the three services.

The anti-national forces of South Korea openly blare that it is based on the experience in the Persian Gulf War and the trend of modern warfare.

In this regard, NODONG SINMUN today views this as an indication that the South Korean authorities' "improvement program" is a very dangerous war plan designed to attack the North.

The analyst says:

Now the South Korean authorities have no ground to put spurs to arms buildup on the Korean peninsula. The North and the South already signed an agreement including a commitment to nonaggression. Coexistence and coprosperity of our nation can be achieved not by arms buildup and confrontation but by arms cut, reconciliation and unity. Even the former military dictators could not conceive such a wholesale "restructuring program" of the puppet army. This clearly shows what "civilian government" advertised by the South Korean authorities is like. While talking about "civilian government," they are hell bent on war moves and arms buildup against fellow countrymen. By so doing, they strip themselves bare as thorough-paced anti-reunification elements and warmaniacs who seek "unification by prevailing over communism" as the former dictators did. Historical facts tell that those who seek war are ill-fated. The South Korean authorities must know that the adventurous acts of confrontation and war will lead "civilian government" to destruction.

Workers Denounce South's 'Crackdown' on Labor

SK1607051193 Pyongyang KCNA in English 0433 GMT 16 Jul 93

[Text] Pyongyang, July 16 (KCNA)—Meetings denouncing the South Korean authorities' crackdown on the struggle of workers for existence and democracy were held at the Kim Chong-tae Electric Locomotive Complex, the Pyongyang Textile Combine, the October 5 Automation Works and the Taedonggang TV Factory.

Speakers at the meetings charged that the South Korean authorities' crackdown is a malicious crime to stifle the labour movement itself in South Korea by crushing down the struggle of Hyundai Business Group workers at its initial stage.

Noting that although the South Korean authorities are vociferating about "renovation" under the signboard of "civilian politics" the miserable position of workers has not improved at all, the speakers said this shows that the South Korean ruling quarters are openly reviving the fascist "security-oriented rule" of the preceding dictators.

U.S. Said Involved With Japan, ROK Nuclear Plans

SK1607104793 Pyongyang KCNA in English 1007 GMT 16 Jul 93

[Text] Pyongyang, July 16 (KCNA)—U.S. Senator John Glenn published an article July 7 exposing the U.S. connivance at the nuclear arms development of Japan and South Korea.

He warned that Japan's recent shipment of more than one ton of plutonium from France was a grave threat to the stability of the United States and the world.

He noted that after Japan uses U.S. uranium at nuclear power stations provided by the U.S., it ships the spent fuel to France and the U.K. to reprocess it into plutonium.

In 1988 a U.S.-Japan agreement was adopted, allowing Japan to use plutonium which is reprocessed from raw material to be brought from the United States in 30 years to come, and thus depriving the United States of the control on the disposal of plutonium, he said, adding that this is dangerous. He said now South Korea is demanding the same condition with Japan, that is, to use plutonium freely.

Japanese Socialists Send Message to Kim Chong-il

SK1607050893 Pyongyang KCNA in English 0424 GMT 16 Jul 93

[Text] Pyongyang, July 16 (KCNA)—The dear leader Comrade Kim Chong-il received solidarity messages from Hajime Fukada, member of the Central Executive Committee of the Japan Social-Democratic Party and member of the house of councillors, and Yojiyuki Oe, president of the SBB Company, Ltd. and chairman of the Japan-Korea friendship data centre, on the publication of the DPRK-USA joint statement.

The message from Hajime Fukada says Comrade Kim Chong-il's peaceloving, just and iron-willed leadership inspires the world people who wish peace in Asia and the world and oppose the hegemony of the United States. The success at the DPRK-USA talks has encouraged them, he adds.

The message expresses the determination to support the independent and peaceful reunification of Korea and continuously fight for the withdrawal of U.S. nuclear weapons and troops from South Korea and the normalisation of DPRK-Japan relations.

The message from Yojiyuki Oe describes the holding of talks and publication of a joint statement between the DPRK and the U.S. as a brilliant victory of the Korean people who have made all efforts for peace and reunification of Korea under the wise leadership of Comrade Kim Chong-il.

It expresses the resolution to support as ever the independent and peaceful Reunification of Korea and make every effort possible to force the Japanese government to apologise and compensate to the DPRK for its past wrongs at an early date and establish diplomatic ties with the DPRK.

The messages sincerely wish Comrade Kim Chong-il a long life in good health.

Comfort Women Forum Held in Japan 10 Jul

SK1607051093 Pyongyang KCNA in English 0427 GMT 16 Jul 93

[Text] Tokyo, July 14 [date as received] (KNS-KCNA)—A forum on "Comfort Women for the Army" was held in Tokyo on July 10.

At the forum, Yuko Suzuki, a Japanese female historian, and Hong Sang-chin, secretary general of the fact-finding group on the forced drafting of Koreans, gave lectures respectively on the subjects "What Is the Problem of 'Comfort Women for the Army'?" and "World's Eye on Postwar Compensation."

Addressing the forum, Lawyer Shigeru Tokoi, chairman of the Executive Committee of the Forum on Human Rights of Koreans in Japan, said: "Everywhere in Japan there are traces of Koreans drafted against their will. Japan was a concentration camp of Koreans."

He urged the Japanese Government to make a due apology and compensation for that.

O Chin-u Contributes Article on War Anniversary

SK1607110093 Pyongyang KCNA in English 1023 GMT 16 Jul 93

["Victory in Great Fatherland Liberation War Will Shine Forever in Our National History"—KCNA headline]

[Text] Pyongyang, July 16 (KCNA)—NODONG SINMUN today devotes one whole page to an article headlined "Victory in the Great Fatherland Liberation War Will Shine Forever in Our National History" contributed by Marshal O Chin-u, member of the Presidium of the Political Bureau of the Central Committee of the Workers' Party of Korea and minister of People's Armed Forces.

Noting that the Fatherland Liberation War was one in which our people humbled the pride of the formidable imperialist enemy who had boasted of being the "strongest" in the world and fully demonstrated the heroism and resource of our nation, the article says:

The great leader Comrade Kim Il-song said in his historical speech at the square of military parade upon the victory in the war 40 years ago:

"More than once in its 5,000-year history, our nation fought heroic struggles against foreign invaders. But never before has there been an instance that the entire people united in strength to deal a decisive blow to a formidable enemy and won a shining victory as in this Fatherland Liberation War and that our people have acquired an increased international prestige and enjoy active support and sympathy from the people all over the world as at present."

The enemy which we dealt with in the war was a "master hand" at war who had waged one hundred and scores of wars of aggression in history and a formidable enemy who had "won" each war.

The enemy lost more than 1,567,000 effectives [a soldier equipped for duty], and a colossal amount of combat and technical equipment including above 12,200 planes and 3,250 tanks and armoured vehicles in the three-year war and fell on their knees before the Korean people. This was a startling military miracle which was decorated in golden letters in the world history of wars.

The Fatherland Liberation War is a historical event which will shine forever in our national history in that it defended the dignity and sovereignty of the nation from imperialist aggression and brought the day of second liberation.

In the war our people were steeled revolutionarily and further awakened in class consciousness in the life-and-death battles against the enemy and our party gained invincible might in the gigantic struggle to lead the whole nation, all the people and the entire Army to victory in the war. And our People's Army accumulated rich combat experience for modern warfare in the shortest time and grew stoutly to be powerful revolutionary armed forces tested politically and ideologically and in military technique under the leadership of the respected leader Comrade Kim Il-song, an iron-willed brilliant commander.

What we are particularly proud of when looking back upon the great Fatherland Liberation War is that many revolutionary hardcore elements grew to be the pillars in the building of the party, the state and the Army in the fierce flames of the war.

The decisive factor of the victory of our people and Army in the war was the wise guidance of the party and the leader.

The respected leader Comrade Kim Il-song pushed through all ordeals in the van with iron will and conviction of certain victory unshaken in any circumstances, overwhelmed the enemy's numerical and technical superiority with his ever-victorious strategy and tactics of chuche and outstanding resources and led the Army and people to victory in the war, always finding himself among them.

The outstanding leadership art, military art, of the respected leader in leading the grim Fatherland Liberation War to victory is the leadership art of a great people's leader rousing a thousand-fold the inexhaustible strength of the Army and people who regard national sovereignty and socialism as their life and blood.

Today when 40 years have passed since the victory in the Fatherland Liberation War an endlessly bright prospect is open on the road of our country and revolution.

We veterans see the extraordinary resource and spirit of an iron-willed brilliant commander and a great strategist peerless in the world in the tested leadership of dear Comrade Kim Chong-il who is leading the acute confrontation with the enemy to a victory.

We are firmly convinced of the bright future of our revolution firstly because the tradition of loyalty which the first and second generations of the revolution displayed to the full is being steadfastly carried forward in upholding the leadership of dear Comrade Kim Chong-il particularly, it is the highest pride of us that the tradition of loyalty is being unswervingly carried forward in our People's Army, the revolutionary armed forces of our party which is overflowing with militant spirit of each a match for a hundred. [sentence as received]

We are fully optimistic about the prospect of our arduous revolution also because the whole party and the whole society are overflowing with the spirit of hard struggle displayed in the past, the spirit of forcing the way through marshes and crossing river in flames.

We are also firmly convinced of the bright future of our revolution through the proud reality in which our people and Army are developing a new history of their unity. Our society is a society of singlehearted unity in which the most solid blood ties have been established between the Army and the people.

The officers and men of our People's Army will discharge their noble duties with credit in the struggle to defend socialism of our style, cherishing deep in mind the high honor and happiness as the Army of the great leader, the Army of the people, which no other army ever felt.

Daily: 'Uniqueness' Ensures 'True Democracy'

SK1507095693 Pyongyang Korean Central Broadcasting Network in Korean 0016 GMT 11 Jul 93

[NODONG SINMUN 11 July special article: "Uniqueness in Ideology and Leadership Is Firm Guarantee for Ensuring Genuine Democracy Within the Party"]

[Text] In his historic work, "On the Fundamental Problems in Building a Revolutionary Party," the dear leader Comrade Kim Chong-il elucidated the principle problems in guaranteeing true democracy [chamdaun minjujuui] within the party of the working class.

The dear leader Comrade Kim Chong-il has indicated: Realizing the uniqueness [yuilsong] of ideology and leadership within the party does not conflict with democracy. It is a firm guarantee which ensures true democracy.

Guaranteeing democracy within the party means respecting the will and demands of party members and carrying out party building and party activity according to their will and demands. For the party of the working class to constantly strengthen and develop itself, democracy within the party should be guaranteed without fail. Only when democracy is thoroughly ensured, can party members all participate in party activities with confidence befitting their roles as master and fully display their strength and wisdom in the struggle to realize the goals set forth by the party.

The party's cohesion and unity can also be further consolidated when democracy is guaranteed. When democracy is truly realized, all party members can have the awareness of being the master of the party; the genuine, comradely unity of party members can be achieved; and, thus, the entire party can be firmly united into one.

Ensuring democracy within the party enables party members to perform their duties and roles as masters and, thus, enables the party to smoothly perform its mission as the political leader.

To ensure true democracy within the party it is imperative to realize the uniqueness in ideology and leadership without fail. Realizing the uniqueness in ideology and leadership within the party means that the entire party firmly arms itself with the leader's revolutionary ideology, thinks and acts according to its demands, and establishes the strong, centralized discipline of moving as one under the leader's unitary leadership.

The uniqueness in ideology and leadership does not conflict with democracy. These two works are both directed toward one goal of strengthening the party organizationally and ideologically and enhancing combat might. They are carried out in a unified course.

The uniqueness in ideology and leadership, which is the fundamental principle of party building and activity, synthesizes the will of the party members into one and ensures that it is thoroughly embodied in party activity, thus seeing to it that democracy can be realized in a genuine way within the party.

Our party began consistently materializing the uniqueness in ideology and leadership early on, defining its realization as the fundamental principle for party building and activity. Thus, our party has constantly strengthened and developed itself into an invincible revolutionary party where democracy is thoroughly guaranteed.

Based on his scientific analysis of the practical experience in building our party and the working class party's demands for party building in present times, the dear comrade leader has evolved the unique ideology that the thorough realization of uniqueness in ideology and leadership within the party is a firm guarantee for ensuring genuine democracy.

The realization of the uniqueness in ideology and leadership constitutes a firm guarantee for ensuring genuine democracy within the party. This is because, first of all, the uniqueness in ideology and leadership makes it possible to carry out all party activities in conformity with the will and demands of party members. Carrying out all party activities in conformity with the will and demands of party members is the essential demand of democracy within the party.

To ensure democracy within the party it is imperative to establish lines and policies by reflecting the will and demands of party members and to solve all problems arising in carrying out party activities by mobilizing the strength and wisdom of party members. When this is successful, we will be able to say that democracy within the party is truly guaranteed.

To carry out party activities in conformity with the will and demands of party members it is imperative to realize the uniqueness in ideology and leadership based on the leader's [suryong] revolutionary ideology. It is because the leader's ideology and leadership most correctly reflect the will and demands of party members, synthesize them into one, and make it possible to thoroughly embody them.

The leader's ideology is the party's organizational will which reflects the fundamental aspiration and demands of party members on the loftiest plane. The fundamental aspiration and demands of party members are to completely realize independence of the masses of working people. The leader's revolutionary ideology contains the highest demands to completely realize independence of the masses of working people and also scientifically elucidates ways for its realization. Therefore, when all party members firmly arm themselves with the leader's revolutionary ideology and when all party organizations move based on the leader's revolutionary ideology, they can present higher demands to realize the popular masses' independence and, thus, embody them in the party's line and policy.

The leader's unitary leadership enables all party members to fulfill their responsibilities and role in the struggle to realize popular masses' independence. When party members and party organizations move as one, upholding the leader's unitary leadership, they can display greater might and substantially implement the lines and policies reflecting the will and demands of party members. This means that upholding the leader's unitary leadership with loyalty, taking the leader's revolutionary ideology as their only guideline, is synonymous with the bright realization by party members of their will and demands.

If the party of the working class rejects the uniqueness in ideology and leadership under the pretext of guranteeing democracy, an alien ideological trend comes into being within the party, and the party is destined to be broken up organizationally and ideologically. It is apparent that a party that is broken up organizationally and ideologically, cannot comprehensively synthesize the will and demands of party members into one and cannot decide and implement its lines and policies. Eventually, such a party cannot carry out its activity in conformity with the will and demands of party members. It will also be broken up and will not even be able to maintain its existence.

The situation of parties in countries where socialism was frustrated in the past proves this realistically. These parties neglected ideological indoctrination work aimed at arming the entire party with their leader's revolutionary ideology and rejected the establishment of their unitary leadership system under the pretext of guaranteeing democracy. As a result, ideological antagonism and organizational discrepancies were created within the parties. Party members could not realize their will and demands. Furthermore, they could not avoid becoming political scapegoats in satisfying fame and career ambitions of the betrayers of the revolution.

The historic lesson shows that unless uniqueness in ideology and leadership are guaranteed, true democracy of party members cannot be expected.

The realization that uniqueness in ideology and leadership constitutes a firm guarantee for ensuring true democracy within the party makes it possible to thoroughly eliminate all sorts of negative phenomena, including individuals' arbitrariness and tyranny, which hinder democracy.

The major phenomenon blocking democracy within the party is individuals' arbitrariness and tyranny. Arbitrariness and tyranny ignore and suppress the will and demands of party members. They also discourage the revolutionary zeal of party members in their party activities and bar the party from displaying its creativity and initiative.

The appearance of the bureaucratic phenomenon, including individuals' arbitrariness and tyranny, within the party of the working class is attributed to the failure in the thorough realization of the uniqueness in ideology and leadership within the party. If unitary ideology and leadership are not ensured, ideologically unsound elements sneak into the party and not only undermine discipline and instill liberalism, but also perpetrate arbitrariness and tyranny.

Various ideological trends, individual opinions [kaeinjok chukwan], and dogmatism will spread [panulchita] throughout a party which lacks a unitary organizational nature and discipline. Ruling parties of nations where socialism was frustrated, failed to achieve uniqueness in ideology and leadership and traitors of socialism sneaked into the party to indulge in dogmatism and tyranny. They raved as though freedom of the party members and masses was restricted due to the uniqueness of ideology and as though leadership and democracy were not ensured. Thus, they reduced the party to a mere group.

As a result, individual dogmatism and tyranny have become acceptable [kongkongyonhan kot] and the will and demand of the party members and masses were mercilessly infringed upon.

The lesson clearly illustrates that only when uniqueness of ideology and leadership is realized, can one assume the leader's revolutionary idea as one's faith and firmly organize party ranks with the core forces loyal to the leadership of the leader [suryong] to thus remove the source from which individual dogmatism and tyranny may emerge.

Only when uniqueness is thoroughly realized can genuine democracy be ensured within the party. This has been vigorously proven by our party's actual struggle.

Our party put forward the work of establishing the party's unitary ideological system as a basic principle in party building and party activities. Our party thoroughly achieved uniqueness of ideology and leadership.

Today the unitary ideological system is firmly established in our party. All party members absolutely support the party's line and policy which embodies the chuche idea, and are offering all of their wisdom and strength in an effort to accomplish them. In this course, democracy has been fully ensured within our party.

The slogan, "What the party decides, we will do!" which our party members are highly upholding, eloquently shows the loftiness at which democracy is ensured in our party in which chuche ideological system is firmly established.

Through experience in their practical life, all of our party members firmly believe that lines, policies, decisions and directives of the party thoroughly reflect their will and demands, and accept them as their vital demand.

In the firm belief that the genuine road of brilliantly realizing their lives' demands lies in loyally upholding the ideas and leadership of the great leader and dear comrade leader, all party members should constantly deepen the work of establishing the party's unitary ideological system.

War Veterans Conference To Be Held in Pyongyang

SK1607050693 Pyongyang KCNA in English 0418 GMT 16 Jul 93

[Text] Pyongyang, July 16 (KCNA)—A national conference of war veterans will be held in the revolutionary capital of Pyongyang in latter half of July on the occasion of the 40th anniversary of the victory in the great fatherland liberation war.

The conference will be attended by war veterans who performed heroic feats in the revolutionary war against the imperialist invaders under the leadership of the party and the leader.

The conference will be a meeting of loyalty demonstrating the unshakable faith and will of the war veterans to defend and accomplish the socialist cause of chuche and the invincible might of the Korean people united in one mind around the party and the leader.

Fruit Farms Expect 30% Higher Yield Than 1992

SK1507234293 Pyongyang KCNA in English 1507 GMT 15 Jul 93

[Text] Pyongyang, July 15 (KCNA)—Picking of early fruits has begun in fruit farms across Korea.

According to data available, the fruit farms look ahead to a 30 percent jump in the yield of early fruits this year above last year.

The area under early fruits accounts for more than 10 percent of the whole area of fruit farms in Korea.

The Pyongyang Fruit Farm with more than 10 million square metres of orchards manured and tended peach, plum, and apricot trees with good care to foresee a two-fold increase in the harvest of early fruits as against last year.

Several workteams of the farm have already finished the picking of well-ripened peach and apricot.

The Kwail County Integrated Fruit Farm in South Hwanghae Province expects a 50 percent rise in peach harvest above last year.

Early fruit picking has begun also at the Yongjon Fruit Farm, Pukchong County, a noted fruit producer in South Hamgkyong Province.

Preparations for plum picking are under way in the fruit farms.

KCNA Reviews 16 Jul Pyongyang Press

SK1607052493 Pyongyang KCNA in English 0445 GMT 16 Jul 93

[Press review]

[Text] Pyongyang, July 16 (KCNA)—Papers here today report that the classical works of the great leader President Kim Il-song have been published in booklets and disseminated and studied in different countries.

The reminiscences of President Kim Il-song "With the Century" has been reported in foreign countries, says NODONG SINMUN.

The paper conveys what foreigners said, deeply revering President Kim Il-song who led the Fatherland Liberation War to a brilliant victory.

Papers convey news that the dear leader Comrade Kim Chong-il sent thanks to a crewman of the "Yombunjin" and his family.

Papers carry a notice that a national conference of war veterans will be held on the occasion of the 40th anniversary of the victory in the Fatherland Liberation War.

NODONG SINMUN runs a full-page article by Comrade O Chin-u under the headline "The Victory in the Great Fatherland Liberation War Will Shine Forever In Our National History" and MINJU CHOSON an article titled "Respected Comrade Kim Il-song is Great Military Strategist Who Displayed National Sovereignty and Honour by leading the Fatherland Liberation War to Victory".

Papers give an extended coverage to signal achievements made by the working people in various fields of the national economy in production and construction before the 40th anniversary of the victory in the Fatherland Liberation War.

NODONG SINMUN introduces the conversion of Maengsan County, a mountainous area in South Pyongan Province, into a people's paradise.

Party and government senior officials saw the 16th part of the multi-part feature film "The Nation and Destiny" depicting the activities of Yun I-sang, a Korean patriotic musician overseas, the press says.

NODONG SINMUN carries an article of a victim exposing sexual violations of the Japanese Army against Korean women during World War II at "Comfort Houses".

Presidents of Guinea and Uganda met DPRK ambassadors to their countries, says the press.

Papers convey news that the head of the DPRK delegation answered questions of reporters on the DPRK-USA talks and carry an answer of a spokesman of the Foreign Ministry of the Democratic People's Republic of Korea to a KCNA question concerning a recent false report of a South Korean News Agency that Armed Forces of the DPRK are massively deployed and put on alert in the Korea-China border area.

Papers report a statement of the C.C. [Central Committee], the South Korean National Democratic Front (Hanminjon) denouncing the confab the South Korean ruler had with the U.S. President during the latter's visit to South Korea to encroach upon the sovereignty and interests of our nation and aggravate the confrontation and tensions between the North and the South.

NODONG SINMUN comes out with a commentary condemning the arms buildup of the South Korean authorities.

The director of the worker-peasant department of Hanminjon demanded a stop to the suppression of the labour movement and students organisations of South Korea protested the U.S. pressure for the liberalisation of rice import, reports the press.

An article of NODONG SINMUN says that the "rejuvenation" of economy through "price stabilization" in South Korea is an infeasible empty talk.

Given in the press are accounts of functions held abroad to mark the 40th anniversary of the victory of the Korean people in the war.

NODONG SINMUN conveys world public voices praising the Korean young people giving a steadfast continuity to the vitality of the revolution.

The press gives an account of a forum on the "comfort women for the army" held in Tokyo.

Papers report that Samdech Norodom Sihanouk called for concentrating efforts on agricultural development, Cuba refuted U.S. slanders as regards the "incident" at the Guantanamo Naval Base, the Syrian president criticized the U.S. stand toward the Middle East peace talks and the Iranian president stressed the need to develop relations among the regional countries.

MINJU CHOSON gives an analysis of the political situation of Japan with the elections to the House of Representatives ahead.

* Military Assigned to Housing Construction

*932C0148A Seoul HANGUK ILBO in Korean
24 May 93 p 6*

[By correspondent Yu Sung-u]

[Text] North Korea is devoting all it has to completing the current housing projects before the end of the year.

Authorities have been feverishly pushing the construction of apartments in Pyongyang and major provincial cities—creating an atmosphere reminiscent of military operations—to achieve their stated goal of resolving the housing shortage and "providing the people with affluent and sound material livelihood" in the Third Seven-Year Plan period (1987-93).

In April this year, in its budget report delivered to the fifth session of the ninth Supreme People's Assembly, the Pyongyang government stated that "it is the supreme principle of activity for the party and the government of the republic to improve the living standards of the people unceasingly," stressing: "This year again, the state will allocate a huge budget to complete the construction of modern housing units for 30,000 households in Pyongyang. It will also build large numbers of dwellings in localities to resolve the housing problem for the people even more satisfactorily."

North Korean domestic policy gives top priority to improving the living conditions of the people to prepare for full-scale North-South interchanges. On 11 May, the party Central Committee issued the slogan "Let Us Make an Epoch-Making Turnaround This Year Marking the 40th Anniversary of the War Victory," and following that, local party committees announced one after another their plans to complete city development projects at an early date.

In Pyongyang, multistory apartment projects were launched on Kwangbok Street and Tongil Street in 1989—for 30,000 and 20,000 households respectively—under Kim Chong-il's leadership. The construction took three years to complete.

The second-phase project started last year for a total of another 30,000 households including additional 16,000 households on Tongil Street. Also, in major provincial cities like Wonsan, Sinuiju and Hamhung, housing projects for 3,000 to 6,000 households are in progress. Tongil Street is a residential area created in Naknang District on the Taedong River in southern Pyongyang. Residents began moving in the new apartments in April around the Kim Il-song birthday celebration period. Standing in an area of a little more than 10-ri between Tosong Multilevel Bridge and Naknang Bridge are various types of multistory apartments including 25-, 30- and 45-story ones. They are one of the things North Korea is highly proud of.

North Korea redeveloped Mangyondae District into the present Tongil Street for the 14th World Youth and Student Festival which it hosted in July 1989.

According to North Korean media, the new-type apartments are approximately 30-pyong large or about double the size of the old ones. They have three bedrooms plus a kitchen and a bathroom. Tongil Street, for example, is divided into eight blocks, each block having its school, day nursery, movie theater, and other welfare facilities, according to propaganda media.

Analyses show that approximately 70% of the North Korean population have their homes and that the shortage is more than 1 million units. Add the natural gain to it, and one will see that the housing issue in North Korea literally means a war.

As many as 150,000 servicemen have been poured into apartment construction sites since 1989. In addition, there are labor forces from various levels called "Youth Construction Corps," "Party Members Shock Brigade," or "Pyongyang City Construction Division." While assigned there, they live in military barracks.

In the Tongil Street project, they recorded an average of 6.1 minutes to finish the per-housing-unit framework and 4.9 minutes in the fastest case, creating "the Speed of the 1990's," according to NODONG SINMUN and other reports.

In connection with such rushing of the work, there have been a succession of reports suggesting rapid increases in the number of industrial disasters on construction sites.

First of all, disabled veterans increased rapidly in number, they say. A Pyongyang radio broadcast on 13 May reported that Kim Chong-il sent wedding gifts to three sisters who married disabled veterans, conveying his gratitude. Kim Il-song also reportedly visited disabled veterans at their quarters, encouraging them.

North Korean media have lately been promoting adoption of orphans as a "noble communist deed."

With regard to the reported injuries suffered by North Korean servicemen and servicewomen, the ROK National Unification Board views them as a result of multistory building construction carried out in disregard of safety regulations. In fact, the North Korean Central Television showed some unusual public relations programs on several occasions, including those featuring "Speed Battle youth shock brigade members who sacrificed themselves to rescue colleagues" or "people working in water braving the bad weather of 35-40 degrees below zero," suggesting that projects were plagued by accidents.

Meanwhile, showing serious material shortages and defective work procedures, NODONG SINMUN dated 28 March printed, prominently, a report that "fighters of the Tongdaewon District Regiment of the Pyongyang City Construction Division who one day found that there had been no delivery of ballast needed in the apartment room-heating project went out to gather rocks from nearby areas, pulverized them for use as substitute material and laid them under the room-heating pipes."

Last month there was a report, datelined Beijing, that a collapse accident on the Changgwang apartment construction site in Pyongyang killed some 200 soldiers.

North Korea apparently is put to a hard battle in its "struggle to provide a worthy life for its people."

South Korea

'Guard' for Kim Il-song Defects, Given Asylum

SK1607043193 Seoul KBS-1 Radio Network in Korean 0400 GMT 16 Jul 93

[Text] A worker from a North Korean munitions factory defected through a third country. The Agency for National Security Planning [NSP] said that Mr. Kim Myong-chol who is 33-years old requested asylum on 15 July after entering the ROK through a third country. The NSP decided to accept his defection on a humanitarian basis.

The NSP is currently investigating Mr. Kim in detail on his motive for defection. Mr. Kim said that he worked as a guard [kyongbiwon] for Kim Il-song and Kim Chong-il and as a worker at a munitions factory.

Interrogated on Defection Motives

SK1607060793 Seoul YONHAP in English 0558 GMT 16 Jul 93

[Text] Seoul, July 16 (YONHAP)—A North Korean man, identified as Kim Myong-chol, 33, has defected to South Korea through a third country, the Agency for National Security Planning [NSP] announced Friday. The North Korean, who had sneaked into a South Korean-flag ship at a port of an unspecified third country, arrived in a South Korean port Thursday and declared himself a defector, the announcement said.

Having served as a guard of the villa for President Kim Il-song and his son Chong-il, he worked as foreign exchange earner for a defense contractor producing semiconductors and gunsights in Pyongyang just before his defection. While working for the company, he heard his fellow workers talking about the development of South Korea and decided to defect from North Korea, the NSP quoted Kim as saying.

The announcement said he was still under interrogation about other motives, if any, of his defection and how he could smuggled himself into the South Korean ship. Kim left his mother, wife and two children in North Korea. He was the second North Korean to defect to South Korea this year, after Ko Chong-song, 32, who came to the South on June 3.

Seoul Urges DPRK To Accept Special Inspections

SK1507141293 Seoul KBS-1 Television Network in Korean 1230 GMT 15 Jul 93

[Text] If a special inspection [tukpyol sachal] is not accepted [by North Korea] during the U.S.-North Korea talks slated for tomorrow, the government will oppose the third phase of U.S.-North Korea talks.

The government's explicit position is that a substantive inspection method should be provided. The government has already clarified its position that special inspection of nuclear facilities in Yongbyon should be accepted without fail at the second U.S.-North Korean talks.

After watching yesterday's first-day session, the government cautiously showed satisfaction with the change in North Korea's attitude but also expressed its worry about the possible difficulties in realizing special inspections.

Government authorities observe that during the current talks it is likely that North Korea will agree to resuming the ad hoc inspection [imsi sachal], which has been suspended since last March, at an early date, and to designate and open to the public the date for replacing fuel rods in five-megawatt atomic reactor.

The government feels that North Korea will not easily respond to negotiations for special inspections but may use the issue of accepting an ad hoc inspection as a tool for negotiations on improving relations [between the United States and North Korea] during the third talks.

The government stressed that special inspections should be conducted without fail in order to examine inconsistencies in North Korean nuclear materials. Thus, the government explicitly expressed its position that the third round of talks should not be held if [the North] agreed only to accept ad hoc inspections and inspection of replacing fuel rods.

At the same time, the government believes that even if special inspections are accepted, if its content is considered an excessive concession to North Korea, the inspection would not be sufficient for proving inconsistency in nuclear materials. The government emphasized this point to the United States.

A relevant government official said that because the United States expressed its firm position that special inspections should be accepted without fail, regardless of their method, formula, and title, North Korea is likely to respond to a special inspection. It is also possible that North Korea has already prepared for inspection by concealing and disguising the controversial facilities. Therefore, the government stressed countermeasures against this possibility.

To End Team Spirit if North Inspected

SK1607024893 Seoul SEOUL SINMUN in Korean 16 Jul 93 p 1, 3

[Text] As North Korea changes its attitude in the first round of the 2d-stage of U.S.-North Korean talks in Geneva, the government has decided to make suggestions to the North side that it will suspend next year's Team Spirit exercise; accept the International Atomic Energy Agency (IAEA)'s inspection of the two military facilities [kunsa sisol]—as asked by North Korea—within South Korea, and give up the U.S. NCND [Neither Confirm Nor Deny] policy if the North Korean delegation reveals its intention to accept IAEA inspections in the upcoming second round of the talks.

The government decided this after the ROK-U.S. summit and foreign ministers' talks which were held when U.S. President Clinton visited Seoul on 10 July.

Along with this, the United States has also reportedly informed the North side of its position that it will exclude North Korea from the list of hostile nations and will discuss the improvement of practical relations with North Korea.

It has been learned that in the first round of U.S.-North Korean talks, the U.S. side proposed some compensation plans [posangchaek] to the North side, including improving relations with North Korea.

Such compensation plans for North Korea by the ROK and the United States are consistent with a precondition to the settlement of the North Korean nuclear issue. A considerable degree of progress is therefore expected to be made in the upcoming second round of the 16 July U.S.-North Korean talks regarding the nuclear inspection of North Korea.

Concerning the talks, a relevant high-level government official said: In the first round of the talks, the two sides have exchanged their basic positions. In the upcoming second round of the talks, they are expected to discuss in detail the nuclear issue. He added that "although an agreement has been not reached between the two sides, the talks were very useful."

The official stressed that he predicts that the two sides will discuss in detail the IAEA's nuclear inspection issue at the upcoming second round of the talks, saying that "the first round of the talks was held in an atmosphere in which the North side's attitude was sincere [chinjihago] and working-level [silmujogin]." He also hinted at the possibility that the compensation plans for North Korea would be discussed at the second round of the talks as well.

Another relevant government official said: The second round of the talks will place emphasis on the North Korean acceptance of the IAEA's inspection of North Korea's unreported two nuclear facilities [haeksisol] in Yongbyon. In case North Korea reveals its intention to accept the IAEA inspections, the United States will promise several plans regarding the nuclear issue and the improvement of relations with North Korea which have been requested by North Korea.

In particular, in connection with steps that will be taken by the United States to improve relations with North Korea, the officials said: The United States may promise visible steps to North Korea before it enters into negotiations with the North Korean side concerning the issues of improving relations, such as excluding North Korea from the lists of hostile nations and lifting the travel and trade restriction.

According to its existing policy that it will not oppose the improvement of U.S.-North Korean relations, the government has reportedly conveyed its position to the United States that it will agree with the latter's position.

Content, Outcome of U.S.-DPRK Talks Viewed

SK1607021093 Seoul YONHAP in English 0155 GMT 16 Jul 93

[Text] Geneva, July 16 (YONHAP)—North Korea and the United States continue their discussion on the North Korean nuclear issue in the second round of their high-level talks at the North Korean mission here on Friday. The meeting is expected to last from 10 AM to about 6 PM, as did the first-round meeting at the U.S. mission on Wednesday.

Both Vice Foreign Minister Kang Sok-chu of North Korea and Assistant Secretary of State Robert Gallucci of the United States, are known to have completed on Thursday consultation with their respective home governments about what they had discussed on Wednesday. Friday's meeting will focus on whether North Korea will fully abide by the nuclear safeguards pact, including allowing International Atomic Energy Agency (IAEA) inspectors into its two suspected nuclear sites in Yongbyon, and on the IAEA impartiality issue which North Korea has raised.

Observers say there is a slim possibility that North Korea will meet all the U.S. demands for complete return to the Nuclear Nonproliferation Treaty (NPT), permission of IAEA inspections and implementation of the denuclearization declaration on the Korean peninsula in Friday's meeting. But both sides could reach a compromise, with North Korea agreeing to start shortly negotiations with the IAEA on how it will observe its nuclear safeguards pact with the IAEA, they say.

Diplomatic sources here say the outcome of Friday's meeting is "unpredictable." "Considering the atmosphere of Wednesday's meeting in which both sides agreed that the meeting was useful, you may expect some progress in Friday's meeting," one source said. "But you can't rule out the possibility that the meeting will face stalemate."

It appears certain that Washington is trying to solve North Korea's nuclear issue on a step-by-step basis, they say. Whether the U.S.-North Korea talks will extend to another round depends on how Washington evaluates the result of Friday's meeting, they add.

Before the Geneva talks, Washington officials warned if the Geneva meeting proved to be unproductive, the United States would stop the talks and seek sanctions against North Korea through the UN Security Council. But they said Wednesday's meeting in Geneva was "useful" and agreed to have the second round of talks on Friday.

U.S. chief delegate Gallucci will hold a press conference in the U.S. mission here at the close of Friday's meeting, about 9 PM local time (4:00 AM Saturday KST). North Korean chief delegate Kang will also hold a press conference a little earlier than Gallucci. No joint statement will be issued at the close of Friday's meeting, unlike the New York meeting last month, officials say.

North Lifts Ban on Foreign Visitors From 27 Jul

SK1607084393 Seoul CHUNGANG ILBO in Korean 16 Jul 93 p 2

[Text] It was learned that from 27 July, North Korea will lifts its ban on visits by foreign tourists and businessmen on the occasion of the 40th anniversary of the cease fire. Visits have been prohibited since early June. The background behind this decision coinciding with the 14 July second round of DPRK-U.S. talks in Geneva is attracting interest.

The Korea Trade Promotion Corporation [KOTRA] and businesses said on 16 July that in early June, North Korea suddenly began banning foreign businessmen and tourists from visiting North Korea and also limited the issuance of visas. This happened right before the DPRK-U.S. high-level talks in New York. This ban, however, will apparantly be lifted entirely from 27 July onwards and South Korean businesses were notified of this fact.

A KOTRA official said: "North Korea has recently been informing South Korean and Japanese business partners through a reliable high-ranking official that it will be lifting the ban on foreign visits from 27 July. This kind of move by North Korea is a positive signal in resolving North Korea's nuclear issue. It also means that North Korea will work to accelerate economic cooperation with foreign countries."

North Korea had been prohibiting foreign tourists and businessmen including those who are affiliated with the pro-North Korean residents' league in Japan who comprise over 90 percent of the joint venture projects in North Korea from entering North Korea since early June.

Report: DPRK 'Virtually Completed' 4-6 Nuclear Bombs

SK1607084193 Seoul YONHAP in English 0821 GMT 16 Jul 93

[Text] Washington, July 15 [date as received] (YONHAP)—A U.S. Republican Party report has raised the possibility of North Korea having already completed four to six nuclear bombs. The report on "North Korea's Possible Nuclear Weapons" by the task force on terrorism and unconventional warfare of the U.S. House Republican Research Committee also asserts that development of the first explosive device has been completed at the North Korean center for nuclear research in Yongbyon.

Following is the summary of the report filed by two members of the task force for provoking discussion and debate in the team:

"A KGB document of 22 February 1990, published in Moscow in mid- March 1992, asserts that Democratic People's Republic of Korea (DPRK) had acquired nuclear weapons as of early 1990. Kim Chong-il, son of the DPRK President Kim Il-song, personally controls the DPRK's military nuclear program. The KGB reported that development of the first atomic explosive device has been completed at the DPRK center for nuclear research, located in the city of Yongbyon.

"Since June 1992, there have been intensified activities in the DPRK's underground complex called Building 500 at Yongbyon, primarily fortification, extensive camouflage, and deployment of defenses. Indeed, DPRK announced its withdrawal from the Nuclear Nonproliferation Treaty once the International Atomic Energy Agency (IAEA) inspectors requested access to Building 500.

"Based on this and other information, a British estimate concludes that the DPRK has already virtually completed 4-6 nuclear bombs, currently at laboratory nuclear device status, and will have at least one full nuclear 1,500 kilometer SSM operational by 1996-97. In addition, a number of March 1993 reports are in close agreement with the aforementioned KGB report of February 1990 that the DPRK has completed the development of its atomic explosive device and has 6-7 nuclear weapons in operational status."

U.S. Report on DPRK-Iran Missile Deal Cited

SK1607055993 Seoul YONHAP in English 0548 GMT 16 Jul 93

[Text] Washington, July 15 (YONHAP)—North Korea provided Iran with 220 scud missiles in last November and supplied a few early model Nodong-1 medium-range ballistic missiles (MRBM) with a range of some 1,000 kilometers secretly in late 1992, a U.S. Congressional report said Friday. The report, entitled "an update on the Iranian-North Korean Nuclear Program," was prepared by two members of the task force on terrorism and unconventional warfare under a U.S. House Republican research committee to be submitted to the task force.

According to a copy of the report obtained Thursday by YONHAP, a high-level North Korean delegation, led by Kim Tal-hyon, visited Iran in early December 1992 and signed "a memorandum of understanding" on long-term joint projects. The memorandum was later described by Iranian sources as "a military agreement worth billions of dollars covering the development of new missile systems capable of carrying nuclear warheads."

The report pointed out that the agreement stipulates that Iran will provide North Korea 500 million U.S. dollars in order "to jointly develop nuclear weapons," as well as a new generation of ballistic missiles optimized for the delivery of nuclear and chemical warheads. North Korea will assist Iran in establishing a production line for the missile in Isfahan and Semnan, said the report, filed by Yossef Bodansky and Vaughn Forrest and intended to provide discussion and debate in the task force.

A major test firing of the Nodong-1 will take place in Iran, probably the Shahrud area, as part of the joint development program and North Korea agreed to sell Iran several nuclear weapons and provide Tehran with designs for a weapons-grade reprocessing plant, the report said. Because of the need for western electronic systems in the production of intermediate range ballistic missiles, Iran and North Korea have decided that Libya will be allowed to cooperate in the project, thereby allowing Tehran and Pyongyang to take advantage of Tripoli's al-Fatah ballistic missile effort and to gain access to the German companies and technical experts who are working on the Libyan program, the report said.

To meet Tehran's specifications, the Nodong-1 has been improved to reach 1,300 kilometers with an 800-kilogram warhead, including a chemical or nuclear payload, and this missile will be able to hit 100 cities in 22 countries in the Middle East and central Asia, the report said. In late March 1993, North Korea completed the development of the upgraded MRBM Nodong-1.

YONHAP Cites U.S. Report on Kim Il-song's Health

SK1607070893 Seoul YONHAP in English 0653 GMT 16 Jul 93

[Text] Washington, July 15 [date as received] (YONHAP)—The medical condition of North Korean leader Kim Il-song had worsened to the point where the leadership in Pyongyang was expediting the consolidation of power of his son, Kim Chong-il, a U.S. congressional report says. The North Korean leadership has begun actively preparing for the eventuality of Kim Il-song's death, according to the report filed by two researchers of the Task Force on Terrorism and Unconventional Warfare of the House Republican Research Committee headed by Rep. Bill McCollum.

The report, obtained by YONHAP Thursday [15 July], said that a Chinese medical team rushed to Pyongyang in January and February to treat President Kim but concluded that very little could be done. Citing the continuing deterioration of Kim's health, the report said, "the difficulties he had chewing and swallowing rice grew to the point that he was frequently forced to use napkins to wipe his face. "He became tired easily so much so in fact that Kim Chong-il ordered that meetings be limited to less than an hour at a time. Moreover, Kim Il-song was in growing pain because a tumor on he [as received] neck began growing, pressuring some of his nerves."

The two researchers, Yossef Bodansky and Vaughn S. Forrest, understood Kim's visible short tempers, and at times mild agitation, were attributed to the pain he was in. Quoting Japanese sources, they said the junior Kim appealed to Beijing to send a team of senior medical experts led by one of Beijing's leading party physicians to check and treat his father in October last year.

The Chinese doctors concluded that the condition of Kim Il-song was worse than anticipated and he was hospitalized in order to stabilize his condition, the report elaborated. Apparently responding to signs of a nervous disorder, the Chinese doctors ordered that Kim Il-song's lifestyle be relaxed, that he be provided only with good news and enjoyable activities, and that he be committed to bed early and for long hours, it said. Kim Chong-il immediately ordered that these recommendations be implemented.

Ultimately, the primary conclusion official Pyongyang drew from the visit of the Chinese medical experts was that the transfer of power to Kim Chong-il had to be expedited immediately, said the report filed for provoking discussion and debate inside the task force. Consequently, Kim Chong-il inherits an unstable North Korea that must virtually abandon the "chuche" doctrine, also dubbed as "Kimilsong-ism" that champions total self-reliance, in order to survive, the report concluded.

Under such conditons, Kim Il-song might still decide to lash out and strike for the last time, launching the "revolutionary offensive" that is "our party's traditional struggle method." Kim Chong-il's declaration of the "semi-war state" and Pyongyang's preoccupation with nuclear weapons and ballistic missiles clearly demonstrates that the "sacred war for reunification 1993" is very much on Pyongyang's short list of options for confronting the crises ahead such as a possible political collapse after senior Kim's death and severe economic difficulties, the report warned.

Taiwan Vice Foreign Minister Arrives for Visit

SK1607024293 Seoul YONHAP in English 0214 GMT 16 Jul 93

[Text] Seoul, July 16 (YONHAP)—Taiwan's Vice Foreign Minister Fang Chin Yan came to Seoul to discuss establishment of new ties severed in 1992 when South Korea recognized China, Foreign Ministry officials here confirmed Friday [16 July]. Fang met with his South Korean counterpart Hong Sun-yong on Thursday and Friday, officials said.

Officials said the meeting is a follow-up to the talks held from last year when South Korean envoy Kim Tae-chi went to Taipei last October to formulate new relations. Just last month, the two sides had met in Fukuoka June 15-16 to seriously talk about the new ties after months of hiatus by ireful Taiwan. The Fukuoka talks were requested by Taiwan.

Seoul broke off official relations with Taiwan on Aug. 24, 1992 when it normalized ties with China and accepted Beijing's "one China policy." Negotiations since then to adjust ties with Taiwan had been stalled by the latter's demand that it be allowed to set up representative offices here using the country name of "Republic of China" and hoist its national flag.

Side issues include the status of office staffs, whether they should be given same privileges as diplomats. Officials here strongly hinted that there was progress in the negotiations between the vice foreign ministers. "The issue is moving forward considerably," said one official, "I believe we have passed the most difficult stage."

Official's Visit 'Strong Beginning'

SK1607070393 Seoul YONHAP in English 0640 GMT 16 Jul 93

[By Yi Tong-min]

[Text] Seoul, July 16 (YONHAP)—Taiwan's change of attitude reflected in sending its vice foreign minister to discuss establishment of new ties with South Korea means more than it appears and marks a strong beginning. Taipei, not in speaking terms with Seoul since the diplomatic severence in August last year, sent Vice Foreign Minister Fang Chin Yan to Seoul who talked for hours with his South Korean counterpart Hong Sun-yong on Thursday and Friday.

Foreign Ministry officials here, while declining to give specifics on how far the pending issues have been solved, beamed with hope Friday that "the worst part is over." Taiwan's replacement of its negotiator to the vice foreign minister is no small change.

Charles Shu Chi King, former ambassador to Seoul who was virtually pushed out after South Korea's surprise announcement of diplomatic normalization with China, had been in charge of the negotiations. It was he who represented Taipei at the last discussions, held unpublicized at Taipei's request, in Fukuoka June 15-16.

The change is a sign of Taiwan's decision to establish new informal ties with South Korea, officials say. The Nationalist Party of Taiwan suffered shattering defeat in January 1991 election and repeated the poor performance in December last year.

Taiwanese press has not been too good to King either, even picking on the fact that he, without any idea of approaching South Korea-China diplomatic normalization, okayed a mass renovation of the embassy compound just to have to turn it over to China. King had insisted from the beginning that South Korea must allow Taiwan to call itself "Republic of China" in setting up a representative office here.

Seoul said anything but "Republic of China," explaining it goes against its recognition of only one China, the mainland. The haggle over the country name botched just about all other forms of exchanges. In April, Taiwan gave up 30 million U.S. dollars of fruit sales to South Korea after Seoul refused to mark the port of origin as "Republic of China" and to sign the contract between government officials.

King, eager to win back public support for the nationalist party and for himself, would have kept his hardline stance to claim victory in negotiations with South Korea, observers say. Taiwan's replacement of King with the vice foreign minister, and his personal visit to Seoul instead of meeting in Japan, shows Taipei decided to shift from this line of negotiations, they say. The likeliest scenario is that Taiwan will have to agree to be represented as Taipei as with other nations with whom it has unofficial ties.

But the discussions are far from over. Taiwan demands that the foreign ministries exchange representative offices and that the head of the office be appointed by the foreign ministers, apparently to show that it is an extention of the government. Taiwan also demands diplomatic status for the representative office employees.

Then there is the property settlement. The Taiwanese Government own and operate schools in various parts of Seoul and Inchon for its residents in South Korea, and the schools sit on one of the most expensive plots in the country.

Both Beijing and Taipei now claim ownership to these properties, and without any precedents to go by, Seoul officials say they are "sandwiched" in between. "But I would certainly call this a progress," said one Foreign Ministry official on vice foreign minister's visit, "we may not have reached complete agreements on all specific issues, but Taiwan has shown us its change of attitude."

'Unofficial' Ties To Be Established

SK1607084993 Seoul YONHAP in English 0732 GMT 16 Jul 93

[Text] Seoul, July 16 (YONHAP)—South Korea and Taiwan are ready to establish unofficial relations after just one more session on wordings to the agreement, a top-ranking Foreign Ministry official said Friday [16

July]. "We have reached an agreement on the key principles to the nature of the new relations," said this official on condition of anonymity, "we expect to conclude the issue after one more session." This official suggested that the Taiwanese representative office will use the name "Taiwan" or "Taipei" instead of "Republic of China" as initially demanded.

Taiwanese Vice Foreign Minister Fang Chin Yan had been in Seoul since Wednesday for a series of discussions with his South Korean counterpart Hong Sun-yong on restoring the diplomatic ties cut off in August last year. Seoul, normalizing relations with Beijing last Aug. 24, accepted "one China policy." [sentence as received] The next session is expected to open soon led by ambassadors-at-large from the two sides. The date will be set for not so far in the future, according to the official.

Negotiations on the new unofficial ties have been stalled ever since the diplomatic severance at Taiwan's demand to be called "Republic of China" and to exchange a representative office between the Foreign Ministries with full diplomatic privileges for the office staffs. Seoul will have to decide on the legal owner of the real estate currently held by Taipei government, whether the property has to be handed over to Beijing.

The vice ministers' talks are continuation from last year when South Korean envoy Kim Tae-chi went to Taipei last October to formulate new relations. Just last month, the two sides had met in Fukuoka June 15-16 to seriously talk about the new ties after months of hiatus by ired Taiwan. The Fukuoka talks were requested by Taiwan.

Japanese Journalist: Photos of Bases Used at Work

SK1607061493 Seoul YONHAP in English 0605 GMT 16 Jul 93

[Text] Seoul, July 16 (YONHAP)—Masato Shinohara, Japanese Fuji Television Seoul bureau chief arrested by the prosecution earlier this week, said Friday he took pictures of the Korean and U.S. military facilities simply to use them as materials for his work. Shinohara, answering the prosecution questions, reporterdly said, "I took the pictures of the military facilities and training after I was allowed to cover the trainings.

"I had no other goals than to use them as materials for my work, including contributing articles to magazines and others." The prosecution arrested him last Tuesday on the charge of violating the law on the protection of the military secrets.

The prosecution summoned him again on Friday from the Seoul detention house and questioned him why he had made more than 170 slide films of the military facilities and trainings and whether he delivered them to the Japanese Embassy in Seoul. The prosecution said it could not find any proof that he accepted the money for the alleged espionage activities and that a third person was involved in the issue. The prosecution said it will indict him next week.

Seoul Opens Embassy in Kazakhstan 12 Jul

SK1507013793 Seoul YONHAP in English 0058 GMT 15 Jul 93

[Text] Seoul, July 15 (YONHAP)—South Korean Embassy in Kazakhstan officially opened as of July 12 to assume full functions, the Foreign Ministry said Thursday. South Korea and Kazakhstan normalized relations in January last year, and more than 100,000 Koreans currently live in the former Soviet Republic.

Seoul already has a consulate-general in the port city of Vladivostok, opened in August last year, and an embassy in Ukraine last December as part of relations promotion with separate states of the previous Soviet Union. It plans to open another embassy in Uzbekistan within this year.

Seoul, Lisbon Adopt Double Tax Prevention Pact

SK1607105193 Seoul YONHAP in English 0939 GMT 16 Jul 93

[Text] Seoul, July 16 (YONHAP)—South Korea and Portugal on Friday initialed a bilateral double taxation prevention agreement. The initialing was made by Om Na-kyong, a Finance Ministry deputy director general, and Manuel Pires, a Portugese Finance Ministry research officer.

The agreement consisting of 29 articles was adopted at the second Korea-Portugese meeting to discuss the conclusion of a double taxation avoidance agreement that was held in Seoul since July 12. The adoption means South Korea has concluded double taxation prevention agreements with all European Community (EC) countries with the sole exception of Greece.

Minister's Brother Said To Receive Military Bribe

SK1607001793 Seoul YONHAP in English 0009 GMT 16 Jul 93

[Text] Seoul, July 16 (YONHAP)—A younger brother of Defense Minister Kwon Yong-hae was alleged Friday to have received a large amount of money from an arms broker involved in the Yulgok military buildup program. Officials at the Board of Audit and Inspection (BAI) said Thursday BAI investigators have found that tens of millions of won had been deposited in the bank account of Kwon Yong-ho, 51, Minister Kwon's younger brother, by Haksan Co., an arms broker.

But the BAI had referred the case to the prosecution since Kwon Yong-ho has persistently maintained that it was the money he had borrowed from Haksan Co., and not a bribe. The BAI was also unable to find any trace of large amounts of money having been deposited in the elder Kwon's bank account. The defense minister was cleared earlier of any suspicion of wrongdoing in connection with the Yulgok project. Haksan is currently under investigation by the prosecution on suspicion of handing some 300 million won in kickbacks to Former Chief of Naval Operations Kim Chul-woo in connection of the Navy's purchase of equipment for destroyers under the Yulgok program.

Prosecution To Arrest Former Defense Officials

SK1607032893 Seoul YONHAP in English 0305 GMT 16 Jul 93

[Text] Seoul, July 16 (YONHAP)—The prosecution will seek to obtain arrest warrants Saturday for four of the six former senior military officials who were accused by the Board of Audit and Inspection last week of taking bribes, prosecution officials said Friday. The Supreme Public Prosecutor's Office is determined to arrest Ex-Defense Ministers Yi Chong-ku and Yi Sang-hun, Former Air Force Chief of Staff Han Chu-sok and Former Chief of Naval Operations Kim Chol-u, they said.

The prosecution on Friday morning summoned and questioned them about how much they had received from arms manufacturers and dealers in payoffs and kickbacks in connection with the arms buildup program called Yulgok Project. The prosecution may summon chairman of the Daewoo Business Group Kim U-chung to question him about whether Daewoo Corp., gave 120 million won (about 150,000 U.S. dollars) to Ex-Minister Yi Sang-hun and 50 million won to former senior presidential secretary Kim Chong-hwi who is now in the United States.

Kim U-chung would be called in if Yi Sang-hun continues to deny the allegation that he had received the money from Daewoo, sources said. According to the prosecution, Ex-Minister Yi Chong-ku received 150 million won from Jinro Construction Co. in connection with a military construction work and 30 million won from Sambu Ace Co. For his help in winning a contract for the construction of oil supply facilities at a military airport.

Former Chief of Naval Operations Kim Chol-u had received 300 million won as a bribe from an arms dealer, Haksan Ind. Co., in connection with the development project for a Korean-style destroyer (KDX), a prosecutor said. Haksan was also said to have given 50 million won to Kwon Yong-ho, a younger brother of the incumbent Defense Minister Kwon Yong-hae. "We will decide later whether to investigate the younger brother of the defense minister," a prosecutor said.

The prosecution confirmed that Former Air Force Chief of Staff Han Chu-sok accepted 314 million won from five arms dealers and weapons manufacturers, including Samsung Aerospace Industries Ltd. Ex-Minister Yi Sang-hun allegedly received 30 million won from the chairman of Hyundai Precision and Industry Co., Chong Mong-ku, in connection with the supply of Korean-style K-1 tank parts to the Army. Chairman Chong could also be indicted without physical detention on charges of giving bribes. Former senior presidential secretary Kim Chong-hwi who allegedly accepted 130 million won from several arms dealers and manufacturers will be indicted on his return from the United States, according to the prosecution.

Presidential Offices Considering Strike Measures

SK1607013893 Seoul THE KOREA TIMES in English 16 Jul 93 p 2

[Text] Chongwadae [presidential offices], which has been keeping a close eye on the prolonged labor disputes at the Hyundai Group, has begun to weigh the needs for special measures and whether to step in to remove the "stumbling block" in the way of economic revitalization. Top presidential aides yesterday took note of the fact that the economic loss due to the labor conflicts has soared to 1.1 trillion won, expressing deep worry about it. A senior secretary said, "We should pay attention to the ever-increasing economic loss."

Earlier, President Kim issued a stern warning against the prolonged labor disputes, saying that he will make a "grave decision," if necessary. Chongwadae sources said that President Kim apparently has in mind some drastic measures even at the risk of closing down companies, where there are no signs of labor disputes letting up.

Chongwadae also expressed its dissatisfaction with the move by some teachers to elect Son Un-pae, 56, a brother-in-law of President Kim, as president of the Korea Teachers' Association. A close aide to Kim told reporters, "President Kim does not want to see his relatives raising problems. There will be an action to block the move." With regard to the decision by Buddhist monks to make public the assets of temples, a presidential spokesman commented, "They go in a good direction."

Kim Hints at 'Resolute Measures'

SK1607035593 Seoul YONHAP in English 0237 GMT 16 Jul 93

[Text] Seoul, July 16 (YONHAP)—President Kim Yong-sam warned on Friday that the government would not stand idle for ever by labor disputes at Hyundai group firms in Ulsan, suggesting that the government would take some resolute measures against the disputes if they are not settled immediately. In a breakfast meeting with 41 small and medium-sized entrepreneurs, including Chairman Pak Sang-kyu of the Korea fededration of small businesses, at Chongwadae [presidential offices], he said he had received a report that the disputes set Hyundai back some 1,000 billion won (1.25 billion U.S. dollars).

Kim made the remarks when the entrepreneurs demanded that the government take some steps against Hyundai labor disputes, saying they were exerting bad influence on other firms. Meanwhile, Labor Minister Yi

In-che left for Ulsan Friday morning to help settle Hyundai labor disputes in the city.

He will meet both labor and management of the firms plagued with disputes that have lasted for some 40 days in a bid to find a clue to a settlement. Labor threatened to stage a strike if the ongoing collective bargaining failed to find a solution by Tuesday next week.

Labor Minister Hints at Intervention

SK1607104993 Seoul YONHAP in English 0936 GMT 16 Jul 93

[Text] Ulsan, July 16 (YONHAP)—Labor Minister Yi In-che who came here to urge early settlement of the drawn-out labor disputes at some Hyundai firms, on Friday strongly hinted at the government's intervention in the disputes unless they are settled in a few days. "I hope there will be no situation in which the disputes are settled not through labor-management compromise but through settlement enforced on them from outside," Yi said.

The labor minister made the remarks at a meeting held among labor-management representatives and negotiation teams at the strike-torn Hyundai Motor Co. After the meeting, Choe Sung-pu, a senior Labor Ministry official, said that Yi's remarks about "outside settlement" means the employment of all conceivable means. He thus did not rule out the use of government power. Minister Yi said during the meeting that he hopes a labor-management compromise would be reached by Saturday, saying that the government cannot wait indefinitely.

Railways President Promises Aug Contract Decision

SK1607060493 Seoul YONHAP in English 0537 GMT 16 Jul 93

[By So Hae-song]

[Text] Seoul, July 16 (YONHAP)—It's waiting time again for the French and German teams after they handed in their sixth proposals for the Seoul-Pusan high-speed railway Thursday, hoping that the Korean Government would finally award a contract to one of them. The Korean High-Speed Railway Construction authority (KHSR) had invited GEC Alsthom of France and Siemens AG of Germany to submit the "final" sixth set of proposals by Thursday, after dismissing Mitsubishi of Japan from the competition a month ago.

KHSR President Pak Yu-kwang promised this round would be the last time and assured the European contenders that he would choose which of the two bidders should have priority in negotiating the multi-billon-dollar contract by late next month. "We will assess the new proposals fairly and objectively and determine who will get priority consideration sometime next month," said Pak, repeating Thursday his earlier promise.

Korea, deliberating, studying, and revising its ambitious plan to acquire state-of-the-art high-speed train and railroad between Seoul and Pusan for some 10 years, finally showed some progress on the project after nailing that the sixth proposals would be the determinant last month. But the race is far from over.

"We assure you August's winner isn't the final one," said a KHSR official before hurrying off to a month-long closed camping to study the proposals with the rest of the team. "The final awardee will be announced by the year-end," he said. The KHSR's research and development team will be weighing the two bidders on 302 fields, including the main focus of prices, technology, support for localization, and maintenance and service for a permissible high of 300 points.

It said the fifth proposals filed last February were better than before but were still far off Korea's expectation in evaluation criteria. Giving a sigh of relief that the tiresome job of battering price terms and trying to read the minds of both the contractor and competitor is finally over, the two European bidders showed their thumbs up and anticipated their report cards.

"We gave our best shot and the ball is now on the KHSR's court," a spokeswoman for the French TGV (Train a Grande Vitesse) said. Asked if France further lowered their prices for the trainsets, she said, "we can say we presented better price," strongly hinting it made attractive concessions in this round.

The French, its TGV in the bullet train service for 12 years and running trips at 300 kilometers per hour since 1989, say it can save Korea a lot of money in the long term because of its capability of mass-producing the supertrains. Equally confident is the German side which also says it got as patient with price negotiations as it could. Germany is said to be more willing on tranferring technology to Korea for it to stand on its two feets by the end of the century. "We offer Korea the future technology in materials, communication, and service, and Korea won't say no to that," a spokesman for Germany's ICE (Inter-City Express) said.

After studying the final terms, KHRC decides the bidder to be given priority in contract negotiation late next month and goes into serious negotiations from September to announce a winner by the year-end. If Korea isn't satisfied with the winner of the priority negotiations, there is a possibility that it can switch awardees in the end, officials said. On winning, the supplier will have to manufacture two trainsets here in Korea for testing by end of 1997, when constructions for the pilot Chonan-Taejon railway are scheduled to be finished.

* Disaffected Officials Leaving Government

932C0153A Seoul CHUGAN CHOSON in Korean 17 Jun 93 pp 54-56

[By correspondent Sin Chong-nok]

[Text] The morale of government employees is sinking. While their pay increase is frozen, the government is more and more stressing the importance of their mission. Under these circumstances, an increasing number of government employees are complaining, "We don't feel like working."

This atmosphere among government employees is epitomized in the newly coined phrase prevalent among them, "the class with an exclusive burden of all pains." This phrase symbolizes the lamentation of government employees over their lot. They have too much work to do while they are not being treated well and getting no more promotion; and to add insult to injury, their salaries are frozen.

"I do not know what in the world I am doing now," say quite a few government employs in self pity. The joke that "one has no one else to trust but the home of his wife's parents" is no longer a joke. Quite often one hears government employees grumble, "Do they think we are priests?"

While collecting information for this report, I met a veteran Grade-5 official working in one of the central government's economic ministries. He said: "When I visit a private company, I see relatively bright faces among its employees. But back in my office, I feel pain when I see the grim faces of my colleagues who are worn with overwork."

These words may be a bit of an exaggeration. But they suffice to show the sense of frustration prevalent among government employees these days.

This atmosphere among government employees is well illustrated by the successive letters of resignation submitted in early last May by some veteran Grade-5 officials of the Economic Planning Board, the Ministry of Finance, and the Ministry of Trade, Industry, and Resources. These are the ministries whose employment is most coveted by those who passed the civil service examinations in the financial and economic fields.

This, however, is not to say that government employees are lukewarm about the government's reform drive or against it. The typical mood of the officialdom about reform is expressed in these words: "Reform is something that the nation should go through once" and "Now that it has been started, it must be carried out without fail."

Those who submitted the letters of resignations are these three officials: certain Kim, section chief in the Ministry of Trade, Industry, and Resources; another certain Kim, a veteran Grade-5 official in the Economic Planning Board; and certain Yi, a Grade-5 official in the Ministry of Finance. Section Chief Kim wanted to quit his job to work for a big corporation as a board member. But he was dissuaded by the people around him from resigning. Mr. Yi also yielded to the pressure from the people around him not to resign. But the other Kim's resignation was accepted because he was adamant in his determination to quit.

In their letters of resignation, they gave these reasons for resignation: "To find a job in a private firm," or "to take over the family business." But one of them reportedly confessed: "I am fed up with the life of government employees who get low salaries, have no future because of the backlog of promotions, and are subject to scorn in the winds of audit and inspection." This confession graphically illustrates the current mood of government employees.

The sagging morale of government employees is so widely rooted that it is difficult to pinpoint the specific root causes. But the most critical among them is the backlog of promotions. But this cause should not be overemphasized because a backlog of promotions is nothing new.

A more immediate reason is the excessive workload and the utterly insufficient pay. The low pay is also nothing new. But since the inauguration of the Kim Yong-sam Administration, the inflow of money from the backdoor sources has been completely shut off. As a consequence, the low pay has become a "bread-and-butter" issue. The problem of the excessive workload is also related to the pay. As the "adequate reward" disappeared, the sense of mission alone became insufficient to put up with the overwork.

The extent of the dirge of money in various branches of the central government is well illustrated by some no laughable stories about "food bills."

Recently, Kim Chol-su, minister of trade, industry, and resources handed over a million won to his bureau chiefs as a "token gift" from his own expense account. The money was given to cover the food bills of their subordinates. Handing over the money, the minister jokingly said, "from now on you had better hold breakfast meetings more often, for they cost less."

Recently, Foreign Minister Han Sung-chu also issued an unfamiliar instruction to his bureau and office chiefs. He told them to see that their employees pay off their outstanding restaurant food bills, adding that the results of the payment would be reflected in personnel actions. As a consequence, the bureau and office directors are grumbling that they had to use their own money to pay off those bills.

All other ministries are faced with similar problems about the overdue food bills of their employees, although somewhat different in degree. The total amount of overdue food bills accumulated by the employees of each section ranges between a low of 1 million won and a high of several million won. The employees did not generate these bills because they had sumptuous meals at upgrade restaurants. Most of the bills are for the dinner and night snacks they had when they worked overtime. The amount is staggering despite the fact that the menu they consumed was mainly a 2,500-won dinner package.

Government employees get 50,000 won in food allowance each month. However, they are not paid for the dinner when they work overtime in the evening. The dinner bills are covered partly from the section chief's scanty expense account and partly from the sundry extra money earned by employees from sources such as their writings and participation in seminars. But the amount from these sources is not enough. That is why their food bills pile up so high that some restaurants near the government office complexes in Kwachon and on Sejongno, Seoul, refuse to deliver meals on credit.

In addition to food bills, bills for other government expenditures remain unsettled, causing a serious problem. Recently, upon returning from a eight-day local official trip, a Grade-5 official of the Ministry of Trade, Industry, and Resources received 170,000 won in travel expense. The amount he actually spent, however, was close to 300,000 won. In the past he was able to cover this kind of shortage with the extra money his section or bureau chief provided. But the situation has changed, and even the section and bureau chiefs themselves are having a hard time trying to cover their own expenses.

It is quite natural that this situation is giving rise to various adverse consequences. In the past a similar situation might have led straight to corruption. But now it is causing a passive work attitude among government employees. Employees do not want to take official trips for which they have to spend their own money, besides the official expenses. They are also apt to try to make someone else meet outsiders on official business.

The average salary of newly hired government employees who have found their jobs after passing highly competitive state examinations is about 11 million won per annum after tax. When one is promoted to the fourth grade after having served as a Grade-5 official for over 10 years, he will get about 20 million won in yearly salary. Among the people who passed the civil service examinations, those who were lucky enough to "marry a woman from a rich or influential family" or whose wives also work are relatively better off. It is not hard to imagine the difficult living conditions of those junior officials who have passed the examinations for Grades 7 through 9, and whose wives do not work.

Said certain Yi, who is serving as a Grade-5 official for the 12th year in the Finance Ministry: "While working in the branch dealing with the government budget, we have come to realize better than anyone else how difficult it is to radically improve the treatment of government employees in a short span of time." "Precisely," said he, "this is our dilemma."

Despite the low pay, the workload of government employees is extraordinarily heavy.

The veteran Grade-5 officials in a branch of the central government got a call from the director of planning and management at midnight in early May. They were told to report to his office to discuss an important matter. The minister wanted to receive a briefing on the operations on the next day, and the director of planning and management had to call up his subordinates at midnight to prepare for the briefing. As a result, the Grade-5 officials stayed awake all night doing their work.

A junior Grade-5 official working in a branch in charge of trade in the Ministry of Trade, Industry, and Resources managed to come home from work at 10 PM on 15 May, Saturday. He had an unscheduled overtime work to do. Because of this, he had to cancel his three appointments.

The average weekly working hours of Grade-5 and Grade-4 officials in the central government ranges from 65 to 70 hours. It is difficult to get off from work at regular hours on Saturdays, and on Sundays they work more often than they take off. Emergency calls at night are not uncommon.

The shorter the period one has been on the fifth grade, the stronger his grumbling about the heavy workload. In the ordinary officialdom, these grumbling junior Grade-5 officials are called "a new breed of Grade-5 officials" because they attach a greater value to their private lives than to their sense of mission.

Certain Kim, a newly promoted Grade-5 official in the Ministry of Trade, Industry, and Resources lamented that "the living condition is too bad," saying: "There is a dead ground in all things, and I understand the position of the government which is pushing its employees into a blind spot."

"Do you know the fact that George Washington, who is admired as the founding father of the United States, struck rich from a land speculation he made during the War of Independence? The corruption and irregularities among public servants are so deeply rooted. It is no exaggeration to say that success or failure of the anticorruption drive depends on whether we can found a system which enables public servants to devote themselves to their duties relying on nothing but their salaries while in the government service, and live on nothing but their annuities after retirement." So said Professor Kim Haetong at Seoul University, who has been studying official corruption issues these 20 years or more.

"One underpaid government employee can hurt 100 people," says a German proverb. It means that when government employees are clean, they can work as salt that keeps society uncontaminated; but when they are corrupt, they will be at the center of corruption. So important is the role of the public servants!

Burma

Public Service Delegates Discuss Constitution

BK1407150793 Rangoon Radio Burma in Burmese 1330 GMT 14 Jul 93

[Text] A group of National Convention delegates, representing public service personnel, continued their panel discussion on formulating the basic principles of state suitable to be included in the constitution at 0930 this morning in the Meeting Hall No. 8 at the Kyaikkasan Grounds, Yangon [Rangoon].

U Tun Shwe from the Ministry of Labor chaired the meeting; U Hla Win acted as secretary. The alternate chairman gave an explanation of the prescription of fundamental principles of state. Lieutenant Colonel Aung San from the Ministry of Defense, U Myint Swe from the Ministry of Cooperatives, and U Tun Htein from the Office of Commission for Holding a Multiparty Democratic General Election then held a discussion and presented the suggestions. Next, the chairman gave a closing speech. The meeting ended at 1110 after deciding to resume the panel discussions at 1000 on 15 July.

Discuss 'Principles of State'

BK1507145593 Rangoon Radio Burma in Burmese 1330 GMT 15 Jul 93

[Text] A group of National Convention delegates representing public service personnel continued their panel discussion on formulating the basic principles of state suitable to be included in the constitution. They met at 1000 this morning in Meeting Hall No. 8 at the Kyaikkasan Grounds, Yangon [Rangoon].

U Tin Aye from the Ministry of Finance and Revenue chaired the meeting, while U Hla Win acted as secretary. After an explanation on prescription for fundamental principles of state by the alternate chairman, Lieutenant Colonel Tin San, Lt. Col. Thein Tun, and Air Force Colonel Lay Myint from the Ministry of Defense read and presented their reports on suggestions. Then the chairman gave a closing speech. The meeting ended at 1100 after it was decided to resume the panel discussions at 0930 on 16 July.

Opposition Opens First Congress in Four Years

BK1607044493 Bangkok THE NATION in English 16 Jul 93 p A3

[By Kan Ianssen in Manerplaw]

[Text] IN the jungle, in the rain and in a state of war against Burma's ruling military regime, the Democratic Alliance of Burma (DAB) finally began its first congress in four years on Tuesday.

Past congresses have been cancelled because of situations arising from a war, that for many people is a way of life. The DAB includes most of Burma's ethnic minority groups and thousands of Burmese who fled the State Law and Order Restoration Council (Slorc) regime massacres in 1988.

As with all political groups, manoeuvring, lobbying and rumours are here at the congress site of Manerplaw, just near Thailand's western border. Some lobbying for positions took place last weekend prior to the election of a new executive committee later in the week.

Rumours of a separate ceasefire agreement between the Kachin Independence Organization (KIO) and the Slorc were refuted by an official telegram from KIO headquarters in Pa Jan over the weekend and a KIO News and Information Officer who spoke to THE NATION after returning from headquarters on Wednesday.

The political manoeuvres take place in the wet season—there is no time in the dry when Slorc usually launches military offensives against the DAB.

Seventeen of the 21 DAB groups made it to Manerplaw for the beginning of the congress. Many delegates had to travel on foot through difficult and dangerous terrain.

For those travelling from outside Burma, danger could also be lurking, with the suspicious disappearance of U Hlar Pe and the murder of U Wing Ko recently, both high ranking anti-Slorc dissidents.

Two delegates from the Committee for the Restoration of Democracy in Burma and one from the Overseas Burma Liberation Front travelled from Australia to the congress.

Day one resolved a DAB concern, the admission and non-admission of new members to its fold. The Shan State Progress Party was not given DAB membership due to its supposed communist links.

Rangoon Refutes Reports on Border Incidents

BK1507164193 Rangoon Radio Burma in Burmese 1330 GMT 15 Jul 93

[Text] In its 12 July issue, the BANGKOK POST newspaper published in Thailand carried a report which says: Members of Myanmar [Burmese] border security force arrested 10 Bangladeshi fishermen on the Naaf border river, security officials said yesterday. They were seized by a Myanmar patrol boat which intruded into Bangladeshi water, said an official in the coastal town of Cox's Bazaar.

Similarly, THE NATION newspaper carried a report in its 14 July issue citing the TELEGRAPH, published in Bangladesh, as follows: Amid growing border tension over the arrest of drug kingpin Jahir Ahmed, the Myanmar border guards abducted eight Bangladeshi woodcutters from Naikonchari, Bangladesh on 12 July and harassed Bangladeshi fishermen on the bordering Naaf river, according to fisherman Abdur Rahim.

BBC Myanmar program at 1630 on 14 July also quoted the aforementioned reports.

There were no such incidents. The arrest of 10 Bangladeshi fishermen on the Naaf border river and the abduction of eight Bangladeshi woodcutters by Myanmar security forces along the border did not happen. There was an incident in which one of our boats, which visited Bangladesh and observed the border crossing agreement reached between the two countries, was seized by members of the Bangladeshi security force on the bordering Naaf river on 30 June 1993.

It has been learned from the responsible personnel that the reports in the BANGKOK POST and THE NATION newspapers are carried with intent to tarnish the immigration activities by Myanmar and Bangladesh which have been carried out with smooth coordination and based on friendship and goodwill along the border between the two countries.

387 Refugees Repatriated From Bangladesh 10 Jul

BK1207145793 Rangoon Radio Burma in Burmese 1330 GMT 12 Jul 93

[Text] In accordance with the coordinated agreement reached between the two countries on the repatriation of those who illegally left Myanmar [Burma] for Bangladesh, a delegation led by Mr. (Manuwar Hussein Akhan), camp official from the country on the other side [Bangladesh], transferred 387 returnees—191 males and 196 females—from 92 households to our Kanyinchaung reception center at 1045 on 10 July 1993. The returnees were brought in by 15 motorboats.

276 Repatriated 13 Jul

BK1507151993 Rangoon Radio Burma in Burmese 1330 GMT 15 Jul 93

[Text] A delegation of camp officials from the country on the other side [Bangladesh], which was led by Mr. (Mosha Alam), transferred 276 returnees—135 males and 141 females—from 58 households to our Kanyinchaung reception center at 1015 on 13 July 1993, in accordance with the coordinated agreement reached between the two countries on the repatriation of those who illegally left Myanmar [Burma] for Bangladesh. The returnees were brought in by 10 motorboats.

Brunei, Malaysia & Singapore

Malaysia

Government Hopes To Barter Palm Oil for MiG's

BK1507153893 Hong Kong AFP in English 0916 GMT 15 Jul 93

[Text] Kuala Lumpur, July 15 (AFP)—Malaysia is likely to offer palm oil to settle half of the cost of its purchase of 18 Russian MiG-29 fighter jets when it finalises negotiations on the deal, officials said Thursday.

"It is likely to be 50-50 palm oil and cash," one senior government official said, although he added that the Russians can be expected to push for more cash and less palm oil.

The official said cash-strapped Russia was unlikely to keep its earlier offer to buy one billion Malaysian dollars (257 million U.S.) worth of palm oil in return for the Malaysian purchase of the MiGs.

Defence Minister Najib Tun Razak last month announced Kuala Lumpur's decision to acquire 18 MiG-29s and eight McDonnell Douglas F/A-18Ds in a deal estimated at more than three billion Malaysian dollars (771 million U.S.). Officials estimated the MiGs deal alone to cost 1.8 billion Malaysian dollars (462 million U.S.).

Visiting Russian Deputy Minister for Foreign Economic Relations Yuriy Petrov was reported Thursday as saying here that Moscow might rethink that offer, made in March by Russian Vice President Aleksandr Rutskoy.

Najib, responding to Petrov's remarks, said Thursday that Malaysia would determine the ratio of cash and commodities to fund the Russian jets after evaluating the MiGs' full capabilities.

"We have yet to enter into final negotiations. We will decide on the terms and conditions when our evaluation team from Russia returns," he said.

An air force team was despatched this week to Moscow to assess the compatibility of the jets with local needs.

"We will begin active negotiations as soon as the team returns," Najib said.

During a visit to Malaysia in March, before he split with Russian President Boris Yeltsin, Rutskoy extended Moscow's offer to buy that amount of palm oil in a clear attempt to outbid the United States to sell its F/A-18s to Malaysia.

Minister Threatens To Delay Tariff Reductions

BK1507122993 Kuala Lumpur BERNAMA in English 0931 GMT 15 Jul 93

[Text] Kuala Lumpur, July 15 (OANA-BERNAMA)—Malaysia may hold back on reducing its tariffs under the common effective preferential tariff (CEPT) scheme beyond 1995 if other ASEAN countries are not forthcoming in cutting their own tariffs. We do not want to be alone in reducing tariffs as part of efforts by ASEAN to create a free trade within 15 years, Minister of International Trade and Industry Rafidah Aziz said here Thursday.

Be it under the normal track or fast track programmes, all ASEAN countries must stick to their commitment to cut or reduce tariffs as scheduled, she told newsmen after launching the ministry's maiden "Malaysia: International Trade and Industry Report, 1993." She said that this was in view that ASEAN economic cooperation was more of rhetorics than action, more so since Malaysia's schedule to cut or reduce tariffs was faster compared with Thailand or Indonesia. In such a situation, there would be a period where various industries in Malaysia such as the plastics industry would be open for regional competition and we do not want our market to be flooded with these products and jeopardise our industries, she said.

On an Indonesian proposal to have a uniform code for investment for ASEAN, she said there was a limit to harmonising investment policies, a proposal which had been talked about over the past seven years.

However, Rafidah said that it was important for ASEAN nations not to outdo each other in attracting foreign investments as foreign investors would then play them out, but look to ways to complement their investment activities.

Three or four ASEAN countries could get together to undertake joint programmes under the ASEAN industrial joint ventures (AIJV) scheme in one location, something which the ASEAN private sector should seriously consider.

ASEAN should avoid becoming an assembly location but strive to enhance spin-off industries which produce manufactured exports able to compete effectively in the global market.

Here, she said ASEAN should build on its indigenous supporting and ancillary industries by emphasising on its local content programmes, something which the General Agreement on Tariffs and Trade (GATT) should not ask ASEAN to forego.

PRC Support for EAEC, Japan's Hesitancy Viewed

BK1507141793 Kuala Lumpur Voice of Malaysia in English 0800 GMT 15 Jul 93

[Station commentary]

[Text] It is heart-warming to know that more and more countries are coming out in support of the Malaysian-initiated and ASEAN-sponsored proposal for the formation of the East Asian Economic Caucus, EAEC. China, with its political reforms and considered a key factor in East Asia's team, has given its support for the idea. Chinese Prime Minister Li Peng, on his visit to Malaysia in 1990, voiced his approval of the EAEC concept and it was endorsed recently during Malaysian Prime Minister Dr Mahathir Mohamed's reciprocal trip to China.

In East Asia, Japan seems to the only country and a global economic giant at that, which seems to have second thoughts about the EAEC proposal. The reason is obvious—its deep secret connection with its strongest trading partner, the United States. Japan has, at times, expressed its appreciation of the EAEC concept but at other times, is only noncommital. There is probably an element of fear over annoying its true ally, the U.S., which has raised serious objections to the formation of the caucus. The United States has spread the perception that the EAEC is meant to be an exclusive trade bloc when Malaysia and the ASEAN countries have gone to great lengths to explain that it is aimed at being a consultative forum to discuss common issues of economic concern and possibly to present a single voice at international trade negotiations like the Uruguay Round or GATT.

Why is such a proposal seen as an objectionable in the U.S.' eyes? Is it because of the anxiety that East Asia, with one of the most rapidly growing economies in the world, has great potential to compete with North America and Europe. The U.S., Canada, and Mexico are on the threshold of forming the North America Free Trade Area or NAFTA and there is a distinct possibility of the European Community or EC countries establishing the single European market.

East Asian countries have not raised any objection or anxiety over the formation though it is likely that these establishments may turn into protectionist blocs. Yet, there is unwanton objection to the EAEC proposal. The region must be allowed to grow and develop its economic strength and should not be allowed to be subjected to the whims and fancies of the developed North.

China's support for the EAEC is most encouraging. The proposal ought to get general acceptance by all East Asian countries, including Japan. The forthcoming meeting between Prime Minister Dr Mahathir Mohamed and Indonesian President Suharto should be able to give further impetus to the concept.

Editorial Views Growing Support for EAEC Idea

BK1607104093 Kuala Lumpur NEW STRAITS TIMES in English 14 Jul 93 p 14

[Editorial: "EAEC Concept Gaining Ground"]

[Text] The support voiced by the French through its ambassador and the tacit support given to the concept by China during the Prime Minister's recent visit to China indicate that the East Asia Economic Caucus (EAEC) proposal is still very much alive. This is contrary to some opinions that it is dead, asphyxiated by the United States' determined stance to oppose it.

China was among the first to come out with its support when the idea was first mooted by Malaysia. Despite buffeting criticism from the U.S. and its allies, China has remained steadfast in its support. Chinese Prime Minister Li Peng voiced his country's support when he was on a visit here at the end of 1990. And when Datuk Sri Dr Mahathir Mohamad saw him in China recently, the

Chinese Premier reiterated his country's unflagging cooperation. Sceptics should now be having second thoughts about condemning it.

The explicit and unwavering support from China, a key player in this region, rather than opposition from an external party, the U.S., should encourage ASEAN to be more vigorous in its promotion of the concept. It should therefore be expected to be a major item in the agenda of the upcoming meeting between the Prime Minister and Indonesian President Suharto.

It smacks of hypocrisy that the U.S. and Canada have been vehement in their denial that the North American Free Trade Agreement (NAFTA) is going to be a trade bloc just months before it becomes a reality, yet are quick to condemn the EAEC as a bloc even before the concept gains general acceptance in the area. The EAEC concept has been deliberately misconstrued and presented as a trade bloc by the U.S. rather than it being a consultative platform on economic issues, as Malaysia has consistently outlined.

Why should ASEAN and others in East Asia hesitate about the proposal? For that matter, why should endorsement by a country like the U.S., which cannot seem to get its economic act together matter when this region contains some of the world's most vibrant economies? When the U.S. was flourishing, did it really care much about what happened to us in this region, apart from its need to protect its interests to maintain the balance of power equation during the Cold War? After all, in the final analysis, why should we matter to them at all and indeed, why does their objection matter at all?

Surely it is not their concern for our wellbeing that makes them object to us getting together to decide our own future. Paradoxically, although proceeding with NAFTA, the Americans themselves fear trade blocs, or what they perceive to be trade groupings. It is basically the reflection of their fear of the East Asian countries getting together on a common forum and the fear that this would undermine their self-interests in this rapidly-growing region.

The region has great potential. The size of trade here in 1990 was comparable to that in the NAFTA region and if it continues to grow at the rate it achieved in the 1980s, can overtake western Europe by the year 2005 and NAFTA by the year 2022. The East Asian countries have a common culture, a common destiny, and as they continue to grow, will have to draw on their mutual support to voice their common stand on economic issues as the rest of the world builds protectionist moats. The region's hopes cannot always be overruled by the more powerful West. There is a need to gather together to be heard over and above the thick fortresses built by NAFTA and the European Community.

Defense Minister Urges Military Cuts in Spratlys

BK1507153093 Hong Kong AFP in English 0832 GMT 15 Jul 93

[Text] Kuala Lumpur, July 15 (AFP)—Malaysia Thursday stepped up calls to reduce military presence in the disputed Spratly islands in the South China Sea amid reports that China and Taiwan were considering building air bases in the area.

"We want to see military presence in the area minimised as we do not want to heighten tension," Defence Minister Najib Tun Razak told reporters. Najib reiterated that the dispute over the Spratlys should be resolved peacefully through diplomatic channels.

"But we will not officially react and respond until we know for sure the real development in that area," said Najib, adding that Malaysia was seeking to get more information to verify these reports.

Taiwan said Tuesday that it would consider the possible construction of an air base in the disputed Spratlys in response to reports a day earlier that China was building a military air base.

The Spratly islands, in an area thought to contain large reserves of hydrocarbons, is claimed in whole or in part by Malaysia, China and Taiwan, as well as Brunei, the Philippines and Vietnam.

Najib said Foreign Minister Abdullah Ahmad Badawi was to seek details from his Chinese counterpart Qian Qichen at the Association of Southeast Asian Nations (ASEAN) annual post-ministerial talks with its dialogue partners in Singapore later this month.

Foreign ministers of Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand are to meet in Singapore from July 23.

"We have to get a clarification from China on this," Abdullah said on Wednesday.

Mining Corporation Looks to Australian Mines

BK1507093193 Kuala Lumpur NEW STRAITS TIMES in English 13 Jul 93 p 13

[Text] With the cessation of its tin operations locally, Malaysia Mining Corporation Bhd. [Limited] (MMC) expects its Australian mining activities to become major contributors to group earnings.

In addition, as the buk of MMC's mining assets are now located overseas, it will continue to pursue its objective of becoming a strong mining entity with international interests.

Chairman Tan Sri Nasruddin Mohamed said in MMC's annual report that to achieve such a status, the group would combine its capabilities in alluvial techniques together with the skills of hard rock mining provided by its Australia-based associate companies, Ashton Mining Ltd. and Plutonic Resources Ltd.

Locally, the mining division will capitalise on its expertise to venture into new businesses, including civil dredging, oil field services, and other related activities to complement its engineering division.

Nasruddin said the vagaries of the tin market and the declining grade of ground mined had adversely affected the group's tin mining activities.

He added that the group's decision to cease its local tin mining operations resulted in an extraordinary charge of RM [Malaysian ringgit] 37.1 million for the year under review.

On its diamond and gold mining operations in Australia, he said both the Argyle and Plutonic mines achieved credible results in terms of production and productivity.

He said the successful takeover of Forsayth NL [expansion unknown] by Plutonic would propel the latter into the big league among Australian gold producers with an enlarged production of more than 35,000 ounces this year.

As for the RM 3.94 million loss posted by its marketing and trading division, Nasruddin said it was due to the economic downturn. He said the division was hurt by the unanticipated large fall in demand for ilmenite and other industrial materials.

Engineering activities, meanwhile, continued to strengthen and during the year two new business units were set up for gas and power, he said.

On manufacturing, he said that its Seginiaga (Malaysia) Sdn. Bhd. [Private Limited] weatherstrip production facility made a turnaround after only 17 months in business.

Nasruddin said in view of manufacturing being the leading growth sector in the economy, MMC would continue with its plan to invest in suitable manufacturing activities either on its own or through joint ventures.

He said the group's exploration division, which provide geotechnical services for foundation studies, was undertaking a major soil investigation programme for the new airport in Sepang.

Last year, MMC registered a 6.8 percent rise in group pretax profit to RM 76 million on the back of a turnover of RM 504.1 million.

Singapore

Clinton Administration's Commitment to Asia Welcomed

BK1507133993 Singapore THE STRAITS TIMES in English 14 Jul 93 p 26

[Editorial: "Welcome to Asia Again"]

[Text] It was reassuring to hear President Bill Clinton declare America's continuing commitment to Asia. In a speech to the South Korean National Assembly in Seoul last week after the G-7 summit in Tokyo, he made clear his opposition to the view that, with the Cold War over and the Western economies passing through a difficult phase, the U.S. could, and indeed should, turn its attention inwards. Mr. Clinton drew the opposite conclusion. With the Cold War over and the need for international economic integration more pressing than ever, it was time to create a new Pacific community built on shared military strength, prosperity, and commitment to democratic values. He was realistic enough to acknowledge that the symbiosis of strength, prosperity, and values would not occur overnight; indeed, not everyone would give the same weightage he did to those factors. However, it was obvious to him that only in the unity of those values did true security lie for the U.S. as much as for Asia.

The bottomline of security is, of course, defence. Following the replacement of the Soviet threat by the threat of runaway U.S. budget deficits, many in Asia feared that the scaling down of America's military presence in the region would lead effectively to disengagement. The result would be a power vacuum; as regional powers rose to fill that sudden vacuum, the result would be instability and insecurity. Here again, Mr. Clinton sought to allay fears. He noted that the end of the Cold War had led to a resurgence of traditional rivalries in many areas of the world; when these rivalries threatened to take wing on weapons of mass destruction, as in North Korea, the possibilities of chaos grew immense. Hence his reaffirmation of a pledge by the Bush administration in 1991 to freeze U.S. troop withdrawals from South Korea and his decision to modernise Korean and American forces on the peninsula. Understandably, a great deal of his speech was taken up by the threat of nuclear proliferation centred, for the moment, in North Korea, but he underlined U.S. opposition to the spread of biological and chemical weapons and missile technologies elsewhere, too, in Asia.

Two aspects of U.S. security policy in Asia stand out in the president's address, one political and the other strategic. First, he noted that the diversity of the security threats faced by the region made it difficult to replicate here a single institution to answer those threats, as NATO does for Europe. The alternative is to set in motion a number of overlapping security arrangements—from multilateral discussions to resolve immediate problems to peacekeeping, confidence-building measures, and regional security dialogues. The U.S. would encourage these mechanisms, he declared. Secondly, in the strategic field, there was a marked continuity with trends that had begun to take shape in the later phase of the Bush administration. It has been apparent for some time now that Washington's definition of staying militarily committed in Asia has shifted from the deployment of large ground forces—Japan and South Korea notwithstanding—to an emphasis on air and naval capability through access agreements with regional countries. For the U.S., this strategy enables it to maintain a substantial forward presence without the substantial costs incurred in running large bases overseas. For regional countries, there is a need to accept the U.S. strategy and build it into their defence plans.

Ultimately, Mr. Clinton's message is that the U.S. commitment to Asian security—in the broad sense in which he described it—is a commitment to America's security itself in that same broad sense. Security is not a zero-sum game; disengagement and defeatism are not the themes that suit post-Cold War America. The continuity here with the policy of recent U.S. administrations is a welcome one, for it would be a tragedy if having won the war, the U.S. were to lose the peace.

Monetary Authority Releases 1992-93 Annual Report

BK1507135193 Singapore THE STRAITS TIMES in English 15 Jul 93 p 1

[By Shaun Seow]

[Text] The Monetary Authority of Singapore (MAS) has served notice that it is prepared to let the Singapore dollar strengthen against major currencies if inflationary pressures build up.

This follows a more relaxed exchange rate policy last year when Singapore's de facto central bank had allowed the local dollar to appreciate more slowly since inflation was under control.

Its chairman, Dr. Richard Hu, said in the MAS 1992/93 annual report released yesterday that the gains made against inflation must be safeguarded. "Exchange rate policy will remain on guard against a buildup in inflationary pressures," he said.

Having said this, however, Dr. Hu warned that while macroeconomic policy tools such as the exchange rate can provide a stable framework for sustained economic growth, they cannot on their own ensure this. "Only increases in productivity can generate healthy rates of economic growth in view of the inherent limits to labour force growth," said Dr. Hu, who is also the finance minister.

The exchange rate of the Singapore dollar is the key policy tool used by the MAS to control increases in consumer prices. Between 1989 and 1991, it was used to control the buildup in inflationary pressures arising from imported inflation and overheating of the domestic economy.

The local dollar underpinned by increased budgetary and balance of payments surpluses had, therefore, strengthened significantly against the currencies of Singapore's major trading partners.

Last year, however, it had appreciated more slowly as foreign inflation was on the wane and domestic cost pressures were subsiding gradually. The lagged effects of previous exchange rate appreciation also contributed to lower costs.

The result: Last year's inflation remained at a steady rate of slightly over 2 percent, down from 3.4 per cent in 1990-91.

Of the price increase last year, 2 to 2.5 percent came from wage rises, and 1 per cent from higher property and car quota prices. These increases were offset partly by cheaper goods from abroad.

Looking ahead, the MAS expects inflation of about 2.5 percent this year and that the introduction of the Goods and Services Tax (GST) next April will add a one-off 2 percent increase to consumer prices in 1994.

Elaborating on the expected one-off impact of the GST next year, Dr. Hu said: "There is no reason why the increase in inflation should persist and the government is committed to preventing this."

He, however, foresaw domestic cost pressures increasing if economic growth remains significantly higher than 6 percent beyond this year. And if the industrialised economies staged a "more generalised" recovery towards the end of the year or next year, a pick-up in foreign inflation can be expected.

It was in this context that Dr. Hu explained why the government's exchange rate policy must guard against inflationary pressures.

For 1992 as a whole, the Singapore dollar weakened by 0.9 percent against the green back, 1.4 percent against the Japanese yen, and 5.4 percent against the Malaysian ringgit. On the other hand, the local unit gained 5.3 percent against the German mark, and 18.3 percent against the British pound as a result of last August's European currency turmoil.

Other highlights of the report:

The MAS is confident that economic growth this year can reach 6-7 percent given the sustained strong growth in the global electronics industry and continued buoyancy in regional trading activity.

Value-added figures released for the first time showed that the financial sector's growth last year was more than four times higher than the 4.5 percent earlier estimated.

The difference was due largely to offshore lending margins and foreign exchange trading profits not captured in the earlier data.

The recent slowdown in money supply expansion was inevitable after four years of rapid growth which surpassed output growth in goods and services.

Singapore has not been able to diversify significantly its export markets for manufactured exports over the last decade. The United States still accounts for about 40 percent of its exports of goods and services.

The unemployment rate cannot be lower than 2.5 percent indefinitely as this would lead to a tight labour situation where wages rise faster than productivity.

The rapid pace of Singapore's industrial upgrading had not led to the inefficient use of capital among manufacturers, said the MAS in a study which contradicted earlier findings.

Cambodia

Khieu Samphan Reports on Talks With Sihanouk

BK1607012493 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 15 Jul 93

["Report by His Excellency Khieu Samphan to cadres and male and female combatants of the Party of Democratic Kampuchea, and to compatriots on his trip to meet with His Royal Highness Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council"—read by announcer, place not given]

[Text] Greetings to respected and beloved clergy. Greetings to beloved comrade-in-arms, cadres, male and female combatants of the Party of Democratic Kampuchea [PDK]. Greetings to all respected and beloved compatriots.

On 13 July, our Democratic Kampuchean delegation and I visited His Royal Highness [HRH] Prince Norodom Sihanouk, head of state and chairman of the Supreme National Council [SNC], at the royal palace in Phnom Penh.

I. I reaffirmed our PDK's support for the prince's national reconciliation plan and his efforts to reconcile the nation so that we regain peace, independence, national unity, and territorial integrity. In this spirit, on behalf of our PDK, I proposed the following to the prince:

A. To set up a quadripartite army to avoid armed confrontation and armed clashes.

B. The PDK asks for only an advisory role and will not demand a role in the government.

II. HRH Prince Norodom Sihanouk, head of state and SNC chairman, expressed happiness at our PDK's two-point proposal saying that they are reasonable and proper. For there to be a consensus, the prince has proposed a round-table meeting under his chairmanship at the royal palace in mid-September with Prince Kromluong Norodom Ranariddh, H.E. Son Sann, and H.E. Hun Sen.

I accepted the prince's opinion with deep gratitude.

III. I also met with Prince Kromluong Norodom Ranariddh, cochairman of the provisional government, and told him about the PDK's proposal. The Prince Kromluong also expressed his satisfaction with it.

IV. I also met with Behrooz Sadry, deputy representative of the UN Secretary General; and H.E. General John Sanderson and his colleagues, who are high-ranking UNTAC [UN Transitional Authority in Cambodia] officials, and informed them about my proposal to the prince head of state and SNC chairman, and his happiness with it.

The two excellencies and their colleagues expressed their joy at this good news.

V. I would like to take this opportunity to praise all our PDK cadres and male and female combatants for their persistent and unreserved physical and mental efforts in line with the national reconciliation spirit for the restoration of peace, independence, national unity, and territorial integrity to our nation, in accordance with the national reconciliation plan of HRH Prince Norodom Sihanouk, head of state and SNC chairman.

VI. Also, I would like to deeply thank all our compatriots and compatriot Cambodian soldiers and policemen, and officials in Phnom Penh for their cordial and warm welcome for me and the Democratic Kampuchean delegation, and for their support for the above proposals.

My best wishes to all compatriots. May you have success in your contributions to national reconciliation in accordance with the national reconciliation plan of HRH Prince Norodom Sihanouk, father of the nation and of national reconciliation, so that our nation will again know peace, security, national independence, national unity, and territorial integrity, and so that all of us can again live in peace the way it was before 1970.

[Dated] 15 July 1993
[Signed] Khieu Samphan, chairman of the PDK and SNC member

VGNUFC Rounds Up Opinions on Khieu Samphan Trip

BK1507114193 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 14 Jul 93

[Text] On 13 July, Khieu Samphan, chairman of the Party of Democratic Kampuchea [PDK] and member of the Supreme National Council [SNC], and a Democratic Kampuchea delegation traveled to Phnom Penh to visit His Royal Highness Prince Norodom Sihanouk, head of state and SNC chairman, and held separate political talks with the prince head of state; Prince Norodom Ranariddh, chairman of election winner FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] Party, and the provisional government; and also met with a number of Cambodian and foreign personalities.

After political talks with the prince and Prince Norodom Ranariddh, Khieu Samphan told local and foreign reporters that in order to avoid military clashes and to ensure that Cambodia has peace, and with a national reconciliation spirit, the PDK is ready to join the National Army at the prince's appeal.

Concerning this stance of Democratic Kampuchea, various foreign newspapers and the masses in various circles in Phnom Penh have expressed the following opinions:

1. Paris radio on 13 July reported that the PDK's readiness to join the National Army means that Democratic Kampuchea does not want military clashes. Khieu Samphan made this statement with a national reconciliation spirit in response to the prince's appeal. This gesture shows that Democratic Kampuchea wants a genuine end to the war in Cambodia. As for Prince Norodom Sihanouk, he also wants Democratic Kampuchea to play a political role.

2. BBC radio of Britain said on 13 July that Khieu Samphan wants to join the National Army. He further adds that this is the only way confrontation can be avoided. Khieu Samphan also says that he does not object to an advisory role, which is acceptable to everyone.

BBC stressed that if Democratic Kampuchea is not included in the new government, the latter will face difficulties.

3. Various circles in Phnom Penh—namely intellectuals, professors, teachers, pupils, students, monks, people, businessmen, officials, soldiers, and policemen—have welcomed the trip by Khieu Samphan and the Democratic Kampuchea delegation to Phnom Penh.

The masses and various circles in Phnom Penh say that Khieu Samphan's trip was a goodwill gesture with a desire for Cambodia to have genuine peace and based on a national reconciliation spirit in accordance with the prince father's national reconciliation plan.

Ranariddh: KR To Have 'Relatively Powerless' Role

BK1507131893 Hong Kong AFP in English 1257 GMT 15 Jul 93

[By Kevin Barrington]

[Text] Phnom Penh, July 15 (AFP)—The Cambodian government is only prepared to offer the Khmer Rouge a relatively powerless advisory role, and not any ministerial portfolios, Prince Norodom Ranariddh said here Thursday. And the radical faction must first prove its sincerity in wanting to join the national community, the prince said.

On a brief visit to the capital Tuesday, Khmer Rouge nominal leader Khieu Samphan said Prince Ranariddh's father Prince Norodom Sihanouk had offered ministerial porfolios to the radical faction.

"My father (Prince Sihanouk) said maybe later on we have to provide them with some ministerial posts. But for the time being it's not a question of a government but an advisory role for the Khmer Rouge," Prince Ranariddh said. The post of advisor was to carry little power.

"I'd like to stress very strongly that as advisors they don't have the right of veto. (With) a ministerial post you participate and run the country. (With) an advisory role you advise. They advise and they let the government decide," he said.

The prince was speaking at the airport after his father's departure for Beijing.

Khieu Samphan and other high-ranking Khmer Rouge officials would be eligbile to serve as advisors.

"Not Mr. Pol Pot, of course, please don't make any confusion on that," Prince Ranariddh said of the Khmer Rouge leader under whose brutal rule in the 1970 one million Cambodians died.

Khieu Samphan offered Tuesday to open up his factions's zones in return for a role in the government and military.

But the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative Cambodia] leader said if the Khmer Rouge wanted to join the national community they should do so unconditionally saying the zones belonged to the "Cambodian people and not to any Cambodian parties."

Ranariddh also dismissed the Khmer Rouge proposal to establish a quadripartite army.

"If they want to join the army they must join the national army," he said.

"If they say quadripartite army it would mean that we still have factions. We are not any more three factions, we formed one government with one army," the FUNCINPEC leader said referring to his Phnom Penh, and Buddhist Liberal Democratic Party coalition partners.

The prince criticised Khieu Samphan for offering to return the 1,000 year old temple Preah Vihear temple the guerillas seized recently, but only to ANKI [National

Army of Independent Kampuchea], the royalist party formerly called FUNCINPEC.

"I don't want to talk about ANKI anymore because now we are only one force, the Cambodian national army," the prince said.

Prince Ranariddh, however, said that, although the Khmer Rouge were having some internal problems with hardliners, the current willingness to negotiate seemed to represent the true party stand.

"That is to say the stand of Mr. Pol Pot," he said.

But the important thing now was for the radical faction to back their words with actions until Prince Sihanouk returned for a September "Round Table" discussion on the Khmer Rouge's future role.

The United States and other donor nations have indicated that Khmer Rouge inclusion in the government could be a barrier to aid. The prince said he hoped that a merely advisory role would not cause such a problem. However, he hinted that the government would not be coerced by economic threats.

"Of course we need assistance because Cambodia is very poor. But at the same time I think we should put the Cambodian's interests higher than other interests," he said.

The xenophobic Khmer Rouge backed this view.

"We have lived for many decades without aid from the foreigners, so why should we not be able to live now?" the faction's former ambassador to Beijing Chan Youran asked.

Khmer Rouge Blows Up Kompong Thom Bridge 8 Jul

BK1607040493 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1200 GMT 15 Jul 93

[Text] According to reliable sources in Kompong Thom Province, at 2330 on 8 July, about 100 Khmer Rouge troops from Division 616 split into two groups and attacked militia units defending two bridges in Chi Ap and Tang Krasang villages in Stoung and Kompong Svay Districts, Kompong Thom Province. This was done with the aim of mining the bridges, cutting off National Route 6, and blocking traffic between Kompong Thom provincial town and Stoung District.

It is noteworthy that in the attack against the Chi Ap bridge, our militia forces were compelled to retreat due to the overwhelming number of Khmer Rouge troops. The Khmer Rouge troops managed to reach the bridge. They laid six explosives and blew up the bridge. The Khmer Rouge also continued their attack toward Chi Ap village, killing a villager. Eight cattle were also wounded and two houses damaged. Much gold, money, and clothing were taken away. Indonesian troops of UNTAC [UN Transitional Authority in Cambodia] immediately intervened but were attacked by Khmer Rouge forces. Four UNTAC soldiers were wounded and an armored vehicle damaged.

On the Tang Krasang village front, due to our militia forces and the speedy assistance of the Cambodian National Army in the area, the Khmer Rouge were thwarted in their goal to blow up the bridge. Furthermore, the Khmer Rouge were forced to retreat. In doing so, they left behind 21 mines, 30 meters of wires, two rounds of 60-mm shells, one DK-82 shell, and six mine (?detonators).

Sihanouk Denies 1962 Assassination

BK1507132693 Phnom Penh National Voice of Cambodia Radio Network in Cambodian 1100 GMT 15 Jul 93

["Rejection" by Norodom Sihanouk dated 14 July—read by announcer]

[Text] AFP on 8 July 1993 wrote: Mr. Tu Samut disappeared in 1962 and he was believed to have been liquidated by the security police of Prince Norodom Sihanouk. I wish to protest the malevolence and the unjustified revelation made by AFP which stands in sharp contrast to reality.

During the 1950's and 1960's, it was true that Khmer Vietminh [pro-North Vietnam Cambodian Communists] struggled against the monarchy and Sihanouk but I was never involved in such an assassination. I was conducting an open armed struggle which was an absolutely correct form of national defense according to international law.

Concerning Mr. Tu Samut, I never knew this name before. I only heard about Tu Samut one day after my return to Cambodia in November 1991 because a street in Phnom Penh bears his name. I was told in Phnom Penh in 1991 that the mysterious prominent man was a Khmer Vietminh leader. And it was only on 9 July 1993 that I became aware through AFP, which is (?constantly) against Sihanouk, of the biography of Mr. Tu Samut, who disappeared in 1962.

[Dated] Done in the Phnom Penh Royal Palace on 14 July 1993
[Signed] Norodom Sihanouk

Indonesia

Suharto Meets Japanese Deputy Foreign Minister

BK1507100493 Jakarta Radio Republik Indonesia Network in Indonesian 0700 GMT 15 Jul 93

[Text] President Suharto, in his capacity as chairman of the Nonaligned Movement [NAM], has made it clear that a positive response from the Group of Seven industrialized nations to the NAM's call for a dialogue is a breakthrough in view of the current impasse. The NAM chairman's remarks were disclosed by Ambassador Nana Sutresna to reporters following a meeting between President Suharto and Koichiro Matsura, Japanese special envoy and concurrently deputy foreign minister, at the former's residence on Cendana Street. According to Nana Sutresna, the NAM chairman highlighted the debts of poor countries.

[Begin Sutresna recording] For example, Deputy Foreign Minister Matsura said that Japan would take the initiative in the near future (?regarding the debt problem) [words indistinct]. The president (?earlier) proposed special treatment for countries that are very unlikely to repay their debts. President Clinton said the United States will issue a policy in the near future to help alleviate the debt burden of the least developed nations of Africa and the Pacific. [end recording]

Replying to RRI [Radio Republik Indonesia], Ambassador Nana Sutresna said the results of the Tokyo dialogue between the NAM and G-7 chairmen will be immediately conveyed to the 108 NAM member nations.

Said Satisfied With G-7 Summit

OW1507130493 Tokyo KYODO in English 1240 GMT 15 Jul 93

[Text] Jakarta, July 15 KYODO—Indonesian President Suharto on Thursday expressed satisfaction with the outcome of last week's Tokyo summit of leaders of the Group of Seven (G-7) economic powers, a Japanese emissary said here Thursday.

Japanese Deputy Foreign Minister Koichiro Matsuura told reporters he delivered a message from Prime Minister Kiichi Miyazawa to Suharto. Matsuura quoted Suharto as saying he was satisfied with the result of the G-7 summit as a whole because the leaders discussed not only the global economy and trade as well as economic aid to Russia but also problems facing developing countries.

The heads of Britain, Canada, France, Italy, Germany, Japan and the United States met in Tokyo from July 7 to 9. Suharto, who is chairman of the 108-nation Nonaligned Movement, was in Tokyo from July 4 to 7 for meetings with Miyazawa and U.S. President Bill Clinton.

UN Envoy Criticizes Portugal on E. Timor Issue

BK1607080293 Jakarta ANTARA in English 0620 GMT 16 Jul 93

[Text] New York, July 16 (OANA/ANTARA)—Indonesia attacked Portugal in the UN Committee on Decolonisation here on Wednesday pointing to it as having been irresponsible for a troubled situation 18 years ago in East Timor which it now falsely claims as being still under its authority.

Pointing a finger to Portugal, the Indonesian representative to the committee, Abdul Nasier, asked: "Is it morally justifiable for an administration in authority to desert the territory under its jurisdiction at a time when the situation is worsening, moving toward a civil war?"

He was referring to the chaos in East Timor 18 years ago when anti-communist groups were resisting the Fretilin [Revolutionary Front for an Independent East Timor] leftist movement's armed attempt to take over power.

He said that if a country claims to be the administration in authority over a territory then there is no justifications for it to abandon the responsibility inherent in the claim.

He reminded the committee of how the then Portuguese East Timor governor, Lemos Pires, had failed his responsibility to overcome the rising chaos in the then Portuguese colony and had instead run away and left Dili to save his own skin.

The Portuguese representative to the committee had claimed that his government is still in authority over East Timor and that the people of East Timor had not acted to determine their own fate in a due process of decolonisation.

Nasier stood fast on the fact that the East Timorese had decided to determine their own fate as they had the right to do by deciding to integrate with Indonesia, through a decolonisation process justified under UN General Assembly resolutions 1514, 1541, and 2625 on decolonisation.

Recognition of this fact—that the East Timorese had determined their own fate—will constitute a great contribution to the interests of the East Timorese themselves, he pointed out.

Nasier also listed historical facts demonstrating Indonesia's offer from the start for cooperation with Portugal in implementing the decolonisation process in East Timor.

He pointed to the high-level meetings between Indonesia and Portugal in New York in 1974, Lisbon (October 1974 and March 1975), Jakarta (August and September 1975), and Rome (November 1975).

It is also to be noted, he said, that in November 1975, three months after Portugal deserted East Timor, Indonesia in a meeting of the two countries' foreign ministers in Rome had urged Portugal to return to East Timor to bring to a proper and just end the decolonisation process in its former colony.

However, Portugal failed to comply and carry out the desired process. Indonesia also requested the UN to monitor and study the situation in East Timor at the time.

Furthermore, it also offered to Portugal a proposal for the formation of four nation commission consisting of

Portugal, Australia, Malaysia, and Indonesia for the restoration of order and security in East Timor. Portugal rejected the offer.

Unfortunately, Portugal later assisted the Fretilin, a political minority, in terrorising the people leading to disturbances in the region from August to November 1975 which drove 40,000 East Timorese to evacuate to Indonesian territory.

All these facts serve to prove that Portugal had blatantly mismanaged the decolonisation process of its former colony, Nasier concluded.

Foreign Loans Amount to $48.9 Billion by Mar

BK1507103193 Jakarta THE INDONESIA TIMES in English 3 Jul 93 p 8

[Text] Jakarta—Indonesian foreign loans reached 48.9 billion U.S. dollars by the end of March 1993, far larger compared with the same period of the previous year which stood at 44.5 billion U.S. dollars, said an annual report of Bank Indonesia [Central Bank] on the 1992/1993 fiscal year.

Bank Indonesia Director Paul Sutopo told the press here on Thursday that 87.7 percent of the loans are from the Intergovernmental Group of Indonesia (IGGI), including bilateral loans from Japan, the United States, and Germany and multilateral loans from the World Bank and the Asian Development Bank.

Non-IGGI loans amounted to 5.1 billion U.S. dollars, received from foreign banks, said the report which was published in commemoration of Bank Indonesia's 40th anniversary.

The report further said that reimbursements of the main debts increased from 4.2 billion U.S. dollars to 4.7 billion and payments of debt interests also increased from 2.6 billion U.S. dollars to 2.7 billion [U.S. dollars] in the 1992/1993 fiscal year.

Paul Sutopo said that the overall development of the balance of payment in 1992/1993 was encouraging with a surplus of 1.4 billion U.S. dollars so that the position of the foreign exchange reserves in Bank Indonesia reached 12 billion U.S. dollars by the end of March 1993 (end of 1992/1993 fiscal year). Transaction deficits decreased from 4.4 billion U.S. dollars to only 3.3 billion due to the growing non-oil/gas exports which increased by 27.8 percent, while increase in imports reached only 12.9 percent.

The problem of credit interests in the 1992/1993 fiscal year was still not very encouraging despite the decline in interests, including investment credits from 19.1 percent to 18.3 percent, working capital credits from 24.6 percent to 21.7 percent.

The still very high credit interest rates were the cause of a credit growth of only eight percent, a decline of 16.1 percent compared with the previous year and even a decline of 40.1 percent compared with the 1990/1991 fiscal year.

Paul Sutopo further said that the report also contained prospects of the domestic economy with an estimated growth of seven percent in 1993, a one percent increase compared with the previous fiscal year.

This economic growth estimates was due to the increasing non-oil/gas exports and the increasing domestic investment activities, he said.

Inflation rate in 1993 is expected not to exceed six percent although there was an adiustment of prices last January, Paul Sutopo said.

Official on Oil Reserves, Foreign Investment

BK1507094593 Jakarta THE INDONESIA TIMES in English 3 Jul 93 p 3

[Text] Yogyakarta—Indonesia has yet to fully exploit the country's large oil reservoirs, particularly in the eastern parts of the country, said Director of Oil and Gas Technology Development Centre of the Ministry of Mines and Energy Priyambodo Mulyo Sudirjo here Thursday.

Speaking to journalists at the opening of an international symposium on reservoir management, he said that Indonesia's oil reserves currently range between 10.5 and 11 billion barrels.

With oil production standing at an average of 1.5 million a day or about 500 million barrels annually, the reserves will be depleted in 20 years unless new reservoirs are found, he cautioned.

Fortunately, Sudirjo added, new oil reservoirs are discovered in Indonesia every year, allowing the present reserves to be stretched for a little longer.

However, he is optimistic that Indonesia's oil reserves are secured as long as there are increasingly more foreign investments in oil exploitation.

Thanks to the government support, there are some 100 oil companies operating in the country in cooperation with the state oil company, Pertamina, he reminded. Most of these companies are foreign investors.

Total foreign investments in oil exploration are worth nearly U.S. $.5 billion in this year alone.

According to Sudirjo, Indonesia will still need more investments owing to the lack of capital.

The current symposium on reservoir management is aimed at the exchange of experiences and technology among the participants as it has become increasingly difficult to tap oil reservoirs, while the demand for the fuel is rising.

It is hoped that the symposium will encourage a more efficient method of reservoir management in order to minimise costs and optimise operations.

Some 400 participants from seven oil-producing countries are attending the symposium organized by the Association of Indonesian Oil Engineers which ends Friday.

Vice President Sutrisno Returns from Brunei

BK1607065293 Jakarta Radio Republik Indonesia Network in Indonesian 0500 GMT 16 Jul 93

[Excerpt] The vice president, Mrs. Sutrisno, and their entourage returned home this morning after a three-day visit to Brunei Darussalam at the invitation of Sultan Hassanal Bolkiah. The vice president and his entourage were greeted by Coordinating Minister for Political and Security Affairs Susilo Sudarman, Armed Forces Commander General Feisal Tanjung, and Jakarta Governor Suryadi Sudirja at Jakarta's Halim Perdanakusumah International Airport. [passage omitted]

Two TV Stations To Begin Nationwide Broadcasts

BK1507102993 Jakarta THE INDONESIA TIMES in English 8 Jul 93 p 8

[Text] P.T. [Company Limited] Rajawali Citra Televisi Indonesia (RCTI) and Surya Citra Televisi Indonesia (SCTV) will be broadcasting nationwide in a number of big cities in the country from August 24.

Cities which will be able to receive RCTI and SCTV broadcasting directly without using parabolic antennae are, in the first phase, Jakarta, Bandung, Yogyakarta, Solo, Semarang, Surabaya, Denpasar, Mataram, Dili, Ambon, Jayapura, and Balikpapan. Other big cities such as Malang, Pontianak, Banjarmasin, Ujungpandang, Manado, Medan, Batam, and Palembang will be able to [receive] the broadcasts directly by the end of this year.

The president director of RCTI, M.S. Ralie Siregar, and the president director of SCTV (which is located in Surabaya), Slamet Supoyo, gave this information at a press conference here on Tuesday night.

Both Siregar and Supoyo explained that RCTI and SCTV will operate self-reliance on different channels and programmes so that viewers might see their own choices. Both RCTI and SCTV will operate from 6 am to O1.30 am [2300 GMT-1830 GMT].

To enable the direct reception of their broadcast to take place, RCTI and SCTV are building transmision stations in every big city.

Siregar said that the nationwide broadcasts of RCTI and SCTV will give viewers alternatives, considering that foreign broadcasts which are received here might have adverse effects especially in the field of culture which does not accord with that of Indonesia.

He also said that about 200 to 300 new employees will be recruited and this number will increase as TV coverage increases.

It was stated that the two TV stations will compete fairly in attracting viewers through varied and interesting programmes, including information concerning the implementation of the national development programmes.

Laos

SRV Foreign Minister Arrives on Official Visit

BK1507123593 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 15 Jul 93

[Text] SRV Foreign Minister Nguyen Manh Cam arrived in the capital, Vientiane, at noon on 15 July. He is paying an official visit of friendship to the Lao People's Democratic Republic [LPDR] from 15 to 18 July at the invitation of LPDR Foreign Minister Somsavat Lengsavat.

The SRV foreign affairs minister's current official visit to the LPDR is aimed at further developing and strengthening the special relations of friendship and comprehensive cooperation between the two countries. At the same time, high-level delegations from the two sides will consult on many issues of mutual cooperation as well as international issues of mutual interest.

Nguyen Manh Cam was warmly greeted at Wattai Airport by Somsavat Lengsavat, SRV Ambassador Bui Van Thanh, and several high-ranking cadres from the LPDR Foreign Affairs Ministry and the SRV Embassy.

Meets President, Foreign Minister

BK1607093793 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 16 Jul 93

[Text] Yesterday afternoon at the Presidential Palace, President Nouhak Phoumsavan received a courtesy call from SRV Foreign Minister Nguyen Manh Cam and his delegation, who are on their official friendship visit to Laos at the invitation of the Lao Foreign Ministry.

President Nouhak Phoumsavan expressed his wholehearted appreciation for the visit to Laos by the Vietnamese delegation. He believes the visit will further improve the traditional special relations of friendship and comprehensive cooperation between the two countries, as well as between the parties, governments, and peoples of Laos and Vietnam.

On this occasion, Nguyen Manh Cam conveyed to the Lao president regards and best wishes from the SRV party and state leaders. The Vietnamese foreign minister highly valued the traditional special relations of friendship between the governments and peoples of the two countries, Laos and Vietnam, which have been enhanced and developed incessantly. This could be seen through the exchanges of high-level leaders and delegations of various levels of the two countries in the past period, noted the minister.

The Vietnamese foreign minister and his entourage arrived in Vientiane Capital at noon on the same day for an official friendship visit to the Lao People's Democratic Republic [LPDR]. At Wattai Airport, they were received by Lao Foreign Minister Somsavat Lengsavat; Bui Van Thanh, SRV ambassador to Laos; high-ranking officials of the Foreign Ministry; and staff members of the Vietnamese Embassy in Laos.

After arriving in Vientiane, Nguyen Manh Cam went to lay wreath as the monument of unknown combatants. In the afternoon of the same day, the Vietnamese delegation met and held talks with Somsavat Lengsavat on the relations of friendship between Laos and Vietnam, especially between the foreign ministries of the two countries in the past and the greater efficiency in improving their relations in the future.

Calls on Nouhak, Khamtai

BK1607145793 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 16 Jul 93

[Text] Today in Vientiane capital, Comrade Khamtai Siphandon, chairman of the Lao People's Revolutionary Party Central Committee [LPRP CC] and prime minister of the Lao People's Democratic Republic [LPDR], and Comrade Nouhak Phoumsavan, Political Bureau member of the LPRP CC and president of state, separately received courtesy calls from Comrade Nguyen Manh Cam, Political Bureau member of the Communist Party of Vietnam Central Committee and SRV foreign minister, and his entourage who are paying an official friendship visit to Laos from 15 to 18 July.

During the courtesy calls, Comrade Nguyen Manh Cam and his party were intimately and warmly welcomed and commended by our Lao party and state leaders. Comrade Khamtai Siphandon and Comrade Nouhak Phoumsavan expressed hope that the friendship visit to Laos by the SRV Foreign Ministry delegation is crowned with brilliant success, adding that the visit gave a good opportunity for the two sides to consult and exchange views with each other on various issues of mutual relations and cooperation between the two ministries and governments as well as on regional and international issues. Our party and state leaders also seized the opportunity to convey their greetings to comrade leaders of the Vietnamese party and state.

On the afternoon of 15 July, Comrade Nguyen Manh Cam and his delegation held a working session with Comrade Somsavat Lengsavat, LPDR foreign minister, and the LPDR delegation to consult with each other on cooperation between the two foreign ministries and to exchange views on international and regional issues. Comrade Nguyen Manh Cam informed the Lao side of the success of the recent visits to Western European countries and the Republic of Cuba by Comrade Prime Minister Vo Van Kiet.

Somsavat Lengsavat Receives SRV Envoy 12 Jul

BK1307042093 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 13 Jul 93

[Text] Bui Van Thanh, newly designated ambassador of the Socialist Republic of Vietnam to the Lao People's Democratic Republic, paid a courtesy call on Minister of Foreign Affairs Somsavat Lengsavat at the Ministry of Foreign Affairs on the morning of 12 July.

The Lao minister and the Vietnamese envoy discussed bilateral relations and cooperation in the immediate future and in the long run in accordance with the spirit and various principles laid out by both sides in the past. All this is aimed at further intensifying the special solidarity and all-round cooperation between the two parties, states, and peoples of Laos and Vietnam on the basis of mutual interest.

In addition, both sides also exchanged views on other current international issues.

At the end, Somsavat Lengsavat extended his best wishes to Bui Van Thanh for the successful fulfillment of his honorable tasks and his active contribution to the strengthening of longstanding traditional solidarity and friendship between Laos and Vietnam, and to make it flourish even more.

Champassak Team Visits SRV Provinces

BK1507041093 Vientiane Vitthayou Hengsat Radio Network in Lao 1200 GMT 14 Jul 93

[Text] According to a regional report, a delegation of Champassak Province led by Ounneua Phommachan, member of the Lao People's Revolutionary Party Central Committee, secretary of the Champassak Province Party Committee, and governor of Champassak Province, paid visits to the Socialist Republic of Vietnam's Provinces of Binh Dinh and Quang Nghai from 26 June to 6 July at the invitation of the two Vietnamese provinces. After completing the journey, the Lao delegation has returned home.

During the visit, the Champassak provincial delegation held consultative meetings and signed agreements with authorities of the two Vietnamese provinces on cooperation in economic, cultural, and social development. In addition, the Lao team also visited Ho Chi Minh City and [word indistinct].

Somsavat Lengsavat Receives Outgoing U.S. Envoy

BK1407031293 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 14 Jul 93

[Text] Yesterday in Vientiane, Foreign Affairs Minister Somsavat Lengsavat received Charles B. Salmon Jr., ambassador extraordinary and plenipotentiary of the United States to Laos, who made a farewel call after completing his diplomatic assignment in this country.

The Lao foreign minister praised Charles B. Salmon for his great achievements in his diplomatic duties, thus contributing significantly to the upgrading of Lao-U.S. relations and cooperation in various projects. They include narcotics suppression, assisting the repatriation of Lao refugees to their homeland, collaboration with the United Nations Office of High Commissioner for Refugees on the settlement of the Lao refugees issue, as well as others.

Somsavat Lengsavat wished the outgoing U.S. envoy a safe trip home. Charles B. Salmon has been assigned to the ambassadorial post in Laos since 6 August 1992.

Interior Ministry Delegation Leaves for Thailand

BK1707053293 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 16 Jul 93

[Text] In response to an invitation of His Excellency [H.E.] General Chawalit Yongchaiyut, minister of interior of the Kingdom of Thailand, a Lao Interior Ministry delegation led by H.E. Major General A-sang Laoli, interior minister of the Lao People's Democratic Republic, left Vientiane at noon yesterday for an official friendship visit to the Kingdom of Thailand.

During the week-long visit, the Lao delegation will meet and exchange experiences with Thai counterparts on bilateral ties, especially between the interior ministries of Laos and the Kingdom of Thailand. They will also discuss issues relating to peace and security in the two countries and find ways to cooperate. Besides, the Lao delegation will also visit various important places.

Bokeo, PRC Province Discuss Border Cooperation

BK1607091793 Vientiane Vitthayou Hengsat Radio Network in Lao 0430 GMT 16 Jul 93

[Text] According to a report from a regional correspondent, a consultative meeting on the Lao-Chinese border issues was officially held at the Public Security Command of Bokeo Province on the afternoon of 6 July.

Leading the Lao delegation at the meeting was Lieutenant Colonel Chandeng Manivong, standing member of the Bokeo Province Party Committee and head of the Bokeo Province Public Security Command, while the Chinese side was led by Major General (?Jiang Chia-sin), head of the Public Security Command of the PRC's Xishuang Banna Province.

The topics discussed included the border issues, especially the ways to jointly resolve problems relating to peace and safety along the Lao-Chinese and Chinese-Lao border areas in conformity with the major concept of the joint statement on the Lao-Chinese and Chinese-Lao borders issued in the past period. The practices are to be carried out on the basis of neighborliness; mutual respect in independence, sovereignty, and territorial integrity; and non- interference in each other's internal affairs, aimed at making the border of the two countries a border of everlasting peace, friendship, and cooperation.

The consultations proceeded in an atmosphere of friendship and understanding from the start to finish.

Philippines

Justice Secretary: NUC Studying Fate of Rowe Killers

HK1507123793 Manila Manila Broadcasting Company DZRH in Tagalog 0030 GMT 15 Jul 93

[Interview with Vice President Joseph Estrada, Justice Secretary Franklin Drilon, and Quezon City Mayor Ismael Mathay Jr. by Joe Taruc and Louie Beltran at DZRH studios, Manila—live; passages in italics in English]

[Excerpt] [passage omitted] [Taruc] I have only one question for Secretary Drilon, and this is with regard to the general amnesty. As you well know, there many protests to the proposal to include Colonel Rowe's killers in the amnesty program. What advice would you give to President Ramos on this matter? Should he include Colonel Rowe's killers in the amnesty program or not?

[Drilon] As you know, the case of Colonel Rowe's killers *is a very complicated matter. It has international complications.*

The NUC [National Unification Commission] is currently undertaking a study on this matter, and we expect them to come up with a recommendation in the near future with regard to the two men, Kaitaas and Continente, who were charged and convicted [of the murder of Colonel Rowe], and the United States' legal position, which claims that if the two were included in the amnesty program, we would be violating our commitments to a convention which we signed.

[Taruc] Or they may even cancel their invitation for the president to visit the United States should these two be included in the program. [panel laughs]

[Drilon] I do not think the visit has any relation with this matter. *But there are legal and technical questions involved.*

[Beltran] *I think the legal and technical question is whether they were actually insurgents in the country or whether they can be classified as international terrorists?*

[Drilon] The legal question is whether Colonel Rowe is someone whom we can classify as *what we call an international protected person,* who, if killed, [the killers] should be punished and not given amnesty. This is the issue in this case. [passage omitted]

RAM Complains of Harassment by Military Intelligence

HK1507123893 Quezon City ABC-DWET Television in Tagalog 1000 GMT 15 Jul 93

[From "ABC-DWET News Program"]

[Text] The Reform the Armed Forces Movement [RAM] has complained to the government that military intelligence is harassing some of its members.

Former General Edgardo Abenina, head of the RAM panel in the peace talks, said one RAM member who fell victim was Marine Sergeant Antonio Soriano who was kidnapped by the Armed Forces Intelligence Unit last 1 Jul and detained for custodial investigation.

Abenina described this as a clear violation of the RAM-government agreement signed last December.

In response, the government peace panel ordered Armed Forces chief General Lisandro Abadia and Philippine National Police Director General Umberto Rodriguez to inquire into Soriano's case and, if he was indeed put under custodial investigation, transfer to him to civilian custody.

Meanwhile, the government panel urged the RAM to surrender to the military the light antitank weapons still in the possession of its members. The government said this is a sign of RAM sincerity in the ongoing peace talks.

But RAM refused to discuss the issue of arms in the peace talks.

Rebel Hit Squad Issues New Assassination List

HK1507123693 Manila Manila Broadcasting Company DZRH in Tagalog 0800 GMT 15 Jul 93

[Report by Fernan Enverga]

[Text] A strengthened Alex Boncayao Brigade [ABB] will launch a series of attacks against corrupt politicians, police and military officials, greedy businessmen and syndicates engaged in illegal drugs, kidnapping and white slavery.

In an underground press conference held somewhere in the Sierra Madre mountains for selected journalists, including DZRH, ABB Commander Sergio Romero said they will send a list of their first 1,000 targets, along with documents showing crimes against the people, to Vice President Joseph Estrada, chairman of the Presidential Anti-Crime Commission [PACC].

Romero said they will give the PACC enough time to prosecute these targets through due process, and will move if the PACC fails.

This is our exclusive interview with Romero:

[Begin Romero recording] We will continue political and military operations. But at the same time, we will give attention to criminal syndicates, particularly those engaged in drugs and white slavery.

[Enverga] About the list of 1,000 targets, what kind of people are these?

[Romero] That's a mixture of those in crime syndicates, political targets, and military officials. All of these are supported with charges.

[Enverga] How true is the statement that you will pressure PACC to follow you?

[Romero] If you will call it pressure, it's really pressure because what we will do is to send them a list, and we will let them act on it. If they cannot do anything about it, then we will act. [end recording]

According to Romero, they have strengthened the ABB through the addition of 500 men who underwent long training and consolidation. The ABB is the military arm of the Communist Party of the Philippines Metro Manila-Rizal Regional Committee, whose operations cover the National Capital Region and the province of Rizal.

Communist Party Manila Body Declares Autonomy

HK1607001093 Manila Manila Broadcasting Company DZRH in Tagalog 1100 GMT 15 Jul 93

[By Fernan Enverga]

[Text] The Metro Manila-Rizal Committee [MMRC] of the Communist Party of the Philippines [CPP] today formally declared its autonomy from the CPP Central Committee controlled by Armando Liwanag, an alias of Jose Maria Sison.

In an underground news conference in the mountains of Sierra Madre range, attended by DZRH Unit 22, MMRC Secretary Felimon Lagman said his group has declared autonomy because:

[Begin Lagman recording] We have many criticisms against the Central Committee, including its wanton violation of the party constitution. But the main reason really is the imposition of dogmatic principles or policies by Armando Liwanag, as discussed in his document called Reaffirm, a dogmatic analysis of the problems of the revolutionary movement and a dogmatic solution to these problems.

[Enverga] Will this mean a call to rebuild the party anew?

[Lagman] This is not a call for rebuilding but a call for correction, real correction. As I said, autonomy from an illegal center, not a total withdrawal from the national organization of the party.

[Enverga] Are you encouraging other committees to follow your move?

[Lagman] We are not encouraging them to declare autonomy. The dynamics of operating in the rural areas are different. We are encouraging them to make a correct stand, and to push and insist on the holding of the second party congress. [end recording]

The MMRC does not recognize as legal the party central committee, which it said is a Stalinist faction headed by Liwanag or Sison, and it considers as bogus the CPP's 10th plenum which was attended by only three of the 10 members of the central committee.

During the plenum, the central committee approved Sison's policy which affirms basic principles and corrects past mistakes, the adoption of strict guidelines on the recritification movement [as heard], the disbandment of the Alex Boncayao Brigade [ABB] and the reorganization of the MMRC, which were opposed by the group of MMRC's Felimon Lagman and ABB Commander Sergio Romero.

With the declaration of autonomy, Lagman also called on the 17 CPP regional committees to hold a national congress to resolve the discord within the communist movement.

Party Discounts Group's Importance

HK1607063093 Quezon City ABS-CBN Broadcasting Corporation DZMM in Tagalog 0400 GMT 16 Jul 93

[Text] The Communist Party of the Philippines-New People's Army-National Democratic Front [CPP-NPA-NDF] leadership based in Ultrech, The Netherlands, have belittled the alleged breakaway of 5000 communist rebels belonging to the Manila-Rizal Regional Party Committee led by Carlos Forte. In an interview by DZMM, Luis Jalandoni, NDF vice chairman for international affairs, said that Forte is an impostor. He added that the party leadership dissolved the committee a long time ago due to its violent activities. Jalandoni added that Forte's claim that his group has many members is not true—the Central Committee replaced the group with a new body to take over the party's work in Manila and Rizal. Jalandoni, has refused to pinpoint and identify the new group, however.

[Begin Jalandoni recording] That group was already dissolved by the central committee in November 1992 due to the harm it inflicted on the masses and the movement through its militarist and adventurist activities, such as the bus burning incident of 1990, as well as its refusal to rectify its mistakes and its attempt to overthrow the CPP leadership. The breakaway group has rejected the CPP leadership; that is why many among the rank and file of the Communist Party in the Manila-Rizal area have demanded the ouster of Carlos Forte and his group. Forte no longer has any right to represent the Manila-Rizal Committee. [end recording]

Thailand

Legal Scholar: U.S. Demands 'Too Much' in Trade

BK1507083793 Bangkok MATICHON in Thai 15 Jul 93 p 29

[Excerpts] Surakiat Sathianthai, rector of Chulalongkon University's Faculty of Law and an international law specialist, granted an interview to MATICHON on 14 July to discuss the cabinet's approval of the amendment to the Copyright Act regarding protection for computer software.

He said he agreed with the government's decision in this regard. Protection for computer software, however, should not be incorporated in the legislation because the structure of this law is inapplicable to technological products. The amended law prohibits the further development and modification of computer software, or the so-called derivatives. Such a prohibition will obstruct the development of Thai technology. In fact, the government should promote the development of computer software. The amended law will provide no protection for computer software derivatives and will even hinder development of computer software. Surakiat further said that the government can tackle this problem by passing a law to legalize improvement of computer software and stipulating that improvement of computer software is different from modification of computer software.

Surakiat said the draft law stipulates that software inventors receive lifetime protection for their work, plus an additional 50 years after their death. Such protection is suitable for products such as literary works, movies, and paintings, but not computer software, because the latter has a commercially viable span of only five years. [passage omitted]

Surakiat added that the United States knows well that it will not get all it asks for. It is too much for Thailand to try to comply with all the U.S. demands. It is recommended that Thailand bring up other issues in the new round of trade talks with the United States—such as aviation rights, investment, and the oil industry—and use them as bargaining tools.

Official Warns of Reprisals on U.S. Trade Action

BK1607052093 Bangkok THE NATION in English 16 Jul 93 p B1, B2

[Text] Deputy Prime Minister Suphachai Phanitchaphak will visit Washington on July 26-28 to try to resolve the trade dispute between Thailand and the United States before the US trade retaliation deadline expires at the end of the month.

Suphachai said last night that he would seek to conclude an agreement with the US Trade Representative to establish consistent dialogue with the US trade body on a consistent basis and covering a whole range of trade issues. He added that previous consultation with the US Commerce Ministry had not been effective.

Thirana Phongmakaphat, chief economic adviser to Suphachai, said one of the minister's objectives is to advise Washington that it can't keep on asking for more forever.

"The trip is partly aimed at relaying the message to the US that they should not demand everything they want at once. Thailand will consider whether or not the country can give in to the US requests one at a time," Thirana said.

He warned that harsher retaliation by Washington after July 31 can invoke retaliatory measures from Thailand to a level that Washington has never thought of.

Thirana also predicted that Thailand is likely to stay on the US's priority foreign countries (PFC) list after the July 31 deadline.

Speaking at a roundtable seminar on Wednesday, on "The Conflicts between Thailand and the US", held by the Economic Society of Thailand, Thirana said there were two scenarios which may happen after the July 31 deadline if Washington decides to impose trade retaliatory measures under Section 301 of the US trade law.

"In the first scenario, Thailand will be eager to give everything the US wants from now on," Thirana said.

"The second scenario is that it will lead to a trade war wider than that over intellectual property rights, " Thirana warned.

"It is possible that Thailand will also retaliate." Thirana refused to say which way Thailand will go, but said the more the United States demands from Thailand, the more the impact will be if things get worse.

Thailand is subjected to trade retaliation without prior warning after having been placed on Washington's PFC watchlist for three consecutive years for intellectual property rights violations and deficient patent laws. US Trade Representative Mickey Kantor will, after July 31, decide to impose US sanctions against Thailand under Section 301.

Thirana felt that Thailand would stay on the PFC watchlist for a while before trade retaliation is carried out.

"It would be unreasonable for the US to retaliate immediately after July 31. One possible way is for them to grant a 30-day period to make a decision before imposing any retaliation," Thirana said.

The most likely retaliatory measure, he felt, is to double the import tariff on Thai exports to the United States. It was unlikely that Washington would cut its generalized system of preferences (GSP)—the zero, or low, tariffs it gives to exports from developing countries—on Thai exports.

"If they cut the GSP, they won't any longer have much excuse to pressure us on labour rights issues," Thirana said.

He also felt there was an equal chance of Thailand being dropped from the PFC watchlist or face immediate and harsh retaliation.

"What the US is doing is a unilateral action, which the USTR (US Trade Representative Office) acts as an accuser as well as judge ... President Clinton is the one who approves the retaliation. Before he decides anything, I am sure he has to listen to both the USTR and others," Thirana said.

Thirana added that Cabinet approval on proposed copyright law amendments which extend protection to computer software and performers' rights was in accord with Gatt's Trade Related Aspects of Intellectual Property Rights draft.

"We want the US to understand that our rationale in response to its demands is based on international standards," Thirana said.

The government is not yielding to US pressure for seven-year protection on "pipeline" drugs—those already patented but not yet marketed in Thailand—because Washingtonis demand is neither in accord with international standards nor technically accepted, Thirana said.

Deputy Prime Minister Suphachai's scheduled trip to the United States on July 26-28, according to Thirana, is timed to get in ahead of the July 31 trade retaliation dateline.

"US demands are always open-ended. At the end, the US keeps demanding. We want to tell the US that we can't keep on reviewing what the US wants every three months. The government has other things to tend to," Thirana said.

"Deputy Prime Minister Suphachai has already told this to the US Ambassador (to Thailand)," Thirana said.

The planned special court on intellectual property and international trade will have the right to rule on cases relating to intellectual property rights, including trademarks and patents, the committee on the planned special court for intellectual property announced yesterday.

Moreover, the new court will also rule on the export and import of goods, said Charan Phakdithanakun, a member of the committee.

The planned court will also rule on cases relating to the origin of products as well as fake trademarks, he said yesterday.

The Thai government is planning to establish a special court for intellectual property rights and international trade affairs.

Official Urges ASEAN Discussion on Cambodia

BK1607035693 Bangkok THE NATION in English 16 Jul 93 p a2

[Text] ASEAN foreign ministers are expected to discuss the United Nation's role in Cambodia after the withdrawal of the UN peace-keeping mission during talks in Singapore next week.

Foreign Ministry Pemmanent Secretary Pracha Khunakasem said Thailand still attached great importance to the Cambodian problem as it directly affected Thai security interests.

However, it would be up to the six foreign ministers to decide whether ASEAN should issue a separate statement on Cambodia.

"If there is no sense of urgency, there is no need to issue a joint statement on the issue," he said.

ASEAN succeeded in bring the Cambodian issue to the world's attention.

But since the signing of the Paris peace accord in 1991 the matter was no longer its exclusive concern, he said.

Pracha reiterated the govemment's position that there should be no foreign interference in Cambodian affairs during the three month lead up to the fommation of the new Phnom Penh govemment and that the Cambodian people should be allowed to settle their problems themselves.

"The current situation has developed in a positive way," Pracha said.

He was referring to the latest Khmer Rouge's proposal to join the new Cambodian unified army and the future govemment.

The Maoist group, which was the only faction that refused to disarm and demobilize under the terms of the Paris agreement, boycotted the general elections in May but later recognized the results.

Pracha said ASEAN needed to discuss the post election situation in Cambodia, especially the UN role in the reconstruction and rehabilitation of the war-ravaged country.

"But this should be in close consultation with the Cambodian parties," he stressed.

The UN role should also cover financial assistance and technical training in the areas of government and police, Pracha said.

Cambodian head of state Prince Norodom Sihanouk has proposed the setting up of a permanent UN mission in Cambodia to work in conjunction with the permanent government in reconstructing the country, guaranteeing human rights and coordinating the work of international agencies.

The head of the UN Transitional Authority in Cambodia (Untac) Yasushi Akashi has been in New York for consultations with the UN Security Council, which sponsored the peace plan for Cambodia, on the UN role after the peacekeeping mission ends in August.

Pracha said Foreign Minister Prasong Sunsiri will represent ASEAN in briefing the regional body's dialogue partners on the situation in Cambodia after the ministerial talks.

Editorial Urges UNTAC Recognition of Khmer Rouge

BK1607093193 Bangkok THAI RAT in Thai 16 Jul 93 p 3

[Editorial: "In the hands of Akashi"]

[Text] The UNTAC [UN Transitional Authority In Cambodia] including some 20,000 soldiers from different nations and a number of civilian officials working in Cambodia under the UN banner will return home after the completion of their mission in Cambodia in August or no later than September when the commission of the Cambodian Constituent Assembly has finished drafting the constitution and a new government is formed. Truly speaking, the future of Cambodia hinges on that day.

Any individual who has been closely watching the Cambodian situation can clearly see that the United Nations does not want the Khmer Rouge to be included in the new Cambodian administration and feels it is even more desirable if the Khmer Rouge is disintegrated by the use of force. The stance which has been demonstrated in New York, Geneva, and Phnom Penh is in fact the common attitude of the major powers which are controlling the role and maneuvers of the UN Security Council and can use assistance for Cambodia as their weapon.

Up to this moment, we wish to point out to Mr. Yasushi Akashi that only through the establishment of a national reconciliation government with the Khmer Rouge's participation can the Cambodian problem be solved thoroughly. In other words, after UNTAC's withdrawal there will be permanent peace in Cambodia. There will be no more killing and fighting among the Cambodian people, who will turn to be united and jointly decide the future direction of their own country as the United Nations wants it to happen.

Everything is now in the hands of Yasushi Akashi and depends on how he will report it to the United Nations. Akashi himself knows as we know that Prince Norodom Sihanouk and Prince Ranariddh want to put an end to the civil war by including the Khmer Rouge in the new government. Heng Samrin and Hun Sen have no objection. Son Sann voices his support for the idea while members of the commission in charge of constitution drafting from the FUNCINPEC [National United Front for an Independent, Neutral, Peaceful, and Cooperative

Cambodia], Cambodian People's Party, and Buddhist Liberal Democratic Party also want the Khmer Rouge in the new government.

It is be noted that since the general election, Cambodian newspapers have called for the recognition of the Khmer Rouge for the sake of national reconciliation. They want the fighting among the Cambodian people to be put to an end for good. The press behavior should be regarded as the desire of the Cambodian people.

We believe in Akashi's wisdom and competence. In his reports to the United Nations, he can persuade the latter to let the Khmer Rouge join the new government and hence call the UNTAC mission in Cambodia a success. Consequently, major powers and other countries will continue to provide assistance for the survival of Cambodia.

Security Chief Comments on Lao Refugees

BK1607031493 Bangkok BANGKOK POST in English 16 Jul 93 p 7

[Text] Savannakhet, Southern Laos—Thailand yesterday indicated greater flexibility on the repatriation of more than 35,000 Laotian refugees still encamped in Thailand.

National Security Council chief General Charan Kunlawanit said it was the "determination" of concerned parties to have all Laotians leave Thailand.

But Thailand would not take legal action against Laotians remaining in Thai camps after the end of 1994, he said.

Gen Charan made the comment after the opening yesterday of the sixth tripartite meeting among senior officials of Thailand, Laos and the United Nations' High Commissioner for Refugees (UNHCR).

The comment marked a departure from statements made over the past year which have insisted on the 1994 deadline being met.

At the fifth tripartite meeting in Rayong last July, Gen Charan warned that Laotian refugees remaining in Thai camps after the 1994 deadline would be regarded as illegal immigrants.

Gen Charan did not explain the change for more flexibility on these longstayers.

But the UNHCR representative, Shun Chetty, who is deputy director of the Regional Bureau for Asia and Oceania, had argued for more flexibility in his opening address to the tripartite meeting.

Mr Chetty said the UNHCR remained committed to the deadline and agreed principles. But, he cautioned: "We must guard against too optimistic a deadline which may only cause disruption among the camp populations."

Laotian Deputy Foreign Minister Souban Salitthilat led the Laotian delegation.

According to NSC figures, there are 35,673 Laotians left in three camps in Thailand: Na Pho in Nakhon Phanom Province, Chiang Kham in Payao, and Panas Nikhom in Chon Buri.

More than 90 percent of the remaining camp populations are anti- communist Hmong hilltribe people who have strong reservations about going home to a communist government in Vientiane.

Gen Charan noted that obstacles had delayed the repatriation operation.

Other Thai delegates suggested that the deadline could be extended if the movement of Laotians could not proceed on target.

But Gen Charan made clear that any new arrivals from Laos would be treated as illegal immigrants.

In his opening speech to the meeting, Gen Charan called on Laos to streamline procedures and resolve outstanding obstacles.

He suggested that Laotian authorities speed up the process of readmission, expand reception centres and plan the relocation of refugees in accordance with their wishes.

He also pointed out that the safety and human rights of returnees should be protected.

The repatriation of Laotians has been under way since 1980 but proceeded very slowly through the decade, with an average of 280 going home each year.

The movement picked up in the past two years, with 1,977 repatriated between June 1991 and May 1992 and 3,966 in the following 12 months.

But the NSC said the latest figure remained below target.

Reportage on Reaction in Australian Visa 'Episode'

Army Chief's Reaction 'Cause for Concern'

BK1607033893 Bangkok BANGKOK POST in English 16 Jul 93 p 4

[Editorial: "Visa rejection being taken out of context"]

[Text] THE controversy over Australia's rejection of an entry visa for Lt Gen Chainarong Nunphakdi, former commander of the First Army Region, reportedly on the grounds that the general did not meet the "public interest" criterion for entry into Australia appears to have been blown out of proportion. Yet the episode has shed light on the psyche of the persons who still harbour a bitter experience of the traumatic event in May last year.

Although playing no part in ordering the brutal crackdown on pro-democracy protesters, Army Commander-in-Chief Gen Wimon Wongwanit appears unhappy with Canberra's action against Lt-Gen Chainarong even if he did not openly say so. He was said to have told reporters that the incident tarnished the image of the country and the military. But Prachakon Thai Party leader Samak Suntharawet who is well known for his close alliance with and sympathy for the military was more outspoken in criticising Australia's action. He went to the extent of making what appeared to be a veiled threat against Australians living in this country and accused the organisers who "led people to their death" during the May protest of manoeuvring the visa rejection.

Obviously, the reaction by Gen Wimon and especially the rather emotional response by Mr Samak are a cause for concern. In the case of the army chief, it is doubtful that a single act by Australian immigration authorities in refusing an entry visa to an army general who reportedly planned to travel to that country in a private capacity in association with a weightlifting team would render the image of the country and especially the military in a negative light. Although a high-ranking army officer, the general does not represent the entire Army or the country. This should also be applied to the other generals, including the army chief, as the Army is an institution which is made up of officers of all levels from a private at the lowest rung of the ladder to a full five-star general at the top.

More than one year after the May bloodshed, several army of officers may still quietly harbour some bitterness and may feel that the Army as a whole has not been treated fairly by the civilian public. In a sense, the May stigma has not been totally removed. As such, the visa affair involving one of its high-ranking-officers is being viewed with suspicion and with the misunderstanding that the Army's image is at stake, once again.

Common sense and fair judgement dictate that Lt-Gen Chainarong's visa rejection is a private affair which has nothing to do with the image or the interest of the country or the military. This is entirely different from the role he and the other disgraced generals played last May which seriously tarnished the Army's image. The ability to distinguish what constitutes a private or state affair and to see things with clearsightedness is essential, especially for a leader, to avoid misunderstanding and conflict.

It is believed that quite a few people want to see the May tragedy buried for good and never again resurrected. But it is difficult for those who lost their loved ones because they were killed or remain unaccounted for to forget the event although they may have forgiven those who committed the crime. The presentation of flowers as a gesture of appreciation to the Australian Embassy here by prominent members of the Confederation for Popular Democracy is intended to keep alive our memory of the horrible tragedy in order that it will not be repeated.

There has been enough debate on the visa controversy which is, after all, insignificant and has no bearing whatsoever on the national interest. It would be best to put it to rest for the benefit of all.

Military Spokesman Criticizes Refusal

BK1607043093 Bangkok THE NATION in English 16 Jul 93 p A3

[Text] Institute of Army Academics Director Chainarong Nunphakdi was due to lead an Army delegation to that country when he was denied an entry visa by the Australian government, according to Supreme Command spokesman Anuson Kritsanaserani.

Lt Gen Anuson said he did not understand why Canberra did not grant a visa to Lt Gen Chainarong, whom he described as the top officer in military training.

Editorial: A6 Sources said the trip was planned by the Thai side and was part of a traditional exchange of visits.

Anuson said he saw no point in the Australian government banning Chainarong's planned visit because of his past role as commander of the First Army Region, which was actively involved in the crackdown against pro-democracy protesters in the May 1992 bloodshed.

"We accept that it is the Australian government's exclusive right to grant or deny visas to foreign visitors," the military spokesman said. "But the Australian government should not have treated Lt Gen Chainarong like a persona non grata when he is not considered by the Thai armed forces as a wrongdoer."

It was earlier reported that Chainarong attempted to go to Australia in May in his personal capacity as chairman of the Weightlifting Association of Thailand, taking with him Thai weightlifters who were to undergo training there. But Anuson said Chainarong was planning to visit the country on his behalf as the chief training officer.

Chainarong was transferred to the training post by then-prime minister Anan Panyarachun who also moved former supreme commander Kaset Rotchananin and former Army chief Itsaraphong Nunphakdi to other inactive posts.

Anuson said Army Commander in Chief Wimon Wongwanit would decide whether and how the Army would respond to the incident.

On Wednesday, Gen Wimon said the visa ban on Chainarong affected Thailand's standing in the international community but stopped short of criticizing the Australian government's action.

The military spokesman also questioned the Australian government and Thailand's Foreign Ministry which he suspected of leaking the news to the media.

"How could this kind of information get leaked to the media? How could Reuter get hold of the information?

This is not right. The (Thai) Foreign Ministry must take responsibility for this," Anuson said.

He said relations between the Thai and Australian armed forces had been very close and there had been many exchanges of visits by senior officers over the years.

A senior Army officer close to Chainarong said he did not understand why his friend had been subjected to prejudicial action for his past role as commander of the First Army Region.

"What has he done that was wrong? Chainarong never complained when he was transferred. People should not continue to pick on him for his role in the May 1992 incident," said the officer who asked not to be named.

Air Force Commander in Chief Kan Phimanthip said the Australian government had the right to deny entry to foreign visitors for various reasons.

"Some countries are sensitive to this kind of thing (military crackdowns on civilians) because they do not believe in the use of force. But for most Thais, we let bygones be bygones," ACM Kan said.

Kan said the Australian government's denying a visa to Chainarong would not affect the credibility of the Thai armed forces in the eyes of the international community.

"We (members of the Thai armed forces) should not say anything that will affect relations with other countries," the Air Force chief said. "We must take a look at ourselves and try to learn our lesson so as not to repeat mistakes."

Deputy Defence Minister Sombat Rotphothong said also yesterday that he would try to find a way out in the matter. He did not elaborate.

General Hopes Ties Unaffected

BK1607103493 Bangkok Radio Thailand Network in Thai 0530 GMT 16 Jul 93

[Text] Speaking to reporters about the Australian Embassy's rejection of his entry visa application before attending the senate meeting at the National Assembly this morning, Lieutenant General Chainarong Nunphakdi, director of the Institute of Army Academics, said the army had approved his planned trip to Australia to lead students of the institute for a study tour of Australia from 19 May to 2 Jun. He said:

[Begin recording] [Chainarong] Personally speaking, I respect Australia's right to reject my entry visa application. However, I do not want this to affect or to create any obstacles to the existing good relations between the Thai and Australian armies and between our two countries.

[Unidentified reporter] Will you not ask the Foreign Ministry to take any action?

[Chainarong] I cannot do that. This is up to my superiors.

[Unidentified correspondent] The government said that this matter might have a negative impact on the Thai army's image.

[Chainarong] I have no comment in this regard. [end recording]

Vietnam

Phan Van Khai Delivers Report to Assembly

Part I

BK1507090193 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 14 Jul 93

["Excerpts" of a report read by Deputy Prime Minister Phan Van Khai at the National Assembly's afternoon session on 14 July—recorded]

[Text] In the first six months of this year, state revenues increased by a relatively enormous margin compared with the same period last year, while the rate of inflation continued to decline. Yet the tasks for the remaining sixth months of this year remain extremely heavy. This has caused concern among a number of National Assembly deputies over the possibility of balancing the state budget and the danger of recurring inflation.

To overcome difficulties and successfully carry out the tasks laid down by the National Assembly for socioeconomic development and national defense and security while continuing to control inflation, the government has already submitted a report to the National Assembly. This report contains effective measures aimed at increasing revenue and paring down lavish expenditures to ensure that the overspending specified in the plan does not exceed the level permitted by the National Assembly.

1. State revenues for the last six months of the year should be half again as much as the first six months. There are favorable factors and measures for us to ensure that this target can be achieved.

First, many policies and measures for unraveling difficulties and reorganizing and expanding production have begun to exert their effects. The various laws passed by the National Assembly in this session constitute an important lever for production and business activities. The state has sufficient sources of foreign currency to ensure the import of materials and goods for production and circulation. The issuance of money for use as a means of circulation has been carried out under close guidance, thus ensuring a balance between money and goods and preventing an increase in the rate of inflation.

The government has also instructed various ministries and localities to work out measures to market surplus grain among peasants and effectively procure markets for the export of farm products. Expanded production and smooth circulation are the basic conditions for increases in state revenue.

Second, the possibility of increasing revenue remains great if revenue is acquired in full and strictly in compliance with the law, including a number of newly promulgated revenue regulations. Based on an inspection of the actual situation, losses of state revenue are still relatively prevalent. Some sectors and localities are failing to turn a number of revenues over to the state budget. Instead, they keep these revenues to set up secret funds for their own use.

The government has instructed various finance, tax, customs, and state inspection agencies to step up control and inspection work to counter shortfalls in state revenue. The government is also in the process of establishing state auditing organizations to scrutinize the handling of bookkeeping and the use of funds from the state budget by various sectors and echelons.

After recalculating the revenue capacity of various businesses under the management of the central and local authorities, the government has entrusted all sectors and echelons with the task of increasing revenue by 11 percent compared with the level fixed by the National Assembly.

Early next month, the government will meet with the comrade leaders of various sectors and localities to continue discussing concrete measures to fulfill the task of increasing revenue by 11 percent at all costs.

Third, in the system of decentralizing budgetary management, acting in compliance with the views of the National Assembly standing committee, the government is seeking to encourage all localities to increase revenue to meet the needs arising from their essential expenditures.

In the first six months of the year, many provinces and cities have coordinated closely with the tax sector in fulfilling more than 50 to 60 percent of the annual plan assigned by the government.

It can be said that 1993 is the first year in which state revenue for the first six months has reached a record level. Based on our calculation, the amounts of revenue that have been left to local budgets could well exceed the plan by more than 1.7 trillion dong.

For localities with abundant sources of revenue that are likely to exceed the plan by a high percentage, it is suggested that they use part of the excess revenues to cover additional expenses, especially urgently essential or extraordinary expenses.

Meanwhile, part of the increase in the central budget and its reserve fund will be put aside to satisfy the newly emerging needs of national defense and security and reduce the rate of overspending for the 1993 state budget.

Fourth, together with efforts to gain overseas concessional loans in the new situation, we still have great potentials of obtaining loans from the public to cover budget overspending. We are determined not to resort to the issuance of more currency notes to cover budget expenses. The government will introduce more policies to mobilize savings and apply many forms of long- and medium-term cash deposits with attractive saving interests for depositors. Getting loans from our people to cover budget overspending is much better than loans from overseas.

We suggest that the National Assembly deputies, the Vietnam Fatherland Front, and mass organizations actively motivate a widely publicized campaign for the public to save more so that they can purchase government bonds, credit notes, fixed-term bonds, insurance, lotteries, and bank savings. From there, the government can have more money to build more important projects such as the Yali Hydroelectricity Station, the National Route No. 5, ports and airport improvements, and urgent social welfare projects.

2. Spending for capital construction.

In the past many years, investment for capital construction of the economy mostly relies on government funding. Now, we realize that development investment must be based on the full exploitation of resources coming from the whole society, all economic components, and the entire population.

However, that will not reduce the government funding for the capital construction, especially the construction of economic and social infrastructure projects. The power and tap-water shortage; damages in public roads, bridges, ports, and airports; and serious downgrading of schools, hospitals, and public facilities in cities, provincial capitals, and towns are the common concern of everyone.

I would like to present some worrying figures in the percentage of capital construction investment in the total expense of our government's national budget. For many years, the percentage of capital construction funding in the total budget expense has been continuously diminishing. It was decreased from 41 percent in 1976-1980 to 33 percent in 1986-1990. In 1991, it was only 17 percent. In the last two years, 1992 and 1993, it was slightly increased to 25 percent. But we have mostly spent the capital construction funding on electricity, water conservation, and transport service projects. Some very important projects that need to start this year have not been listed in the national budget funding. A great deal of urgent funding demand on infrastructure projects for local production, education, and health services has not been met.

Some National Assembly deputies suggested whether we should reduce the capital construction funding to relieve the tension in our national budget. The government holds that the capital construction spending in the 1993 national budget is already very limited and it can be considered that it is already at its minimal level. If we further cut down the spending, chaos might occur and that would leave bad consequences for subsequent years. We need to positively balance the budget to ensure the completion of capital construction planning. In the last months of 1993, the government plans to implement the following measures:

—We must fully exploit new opportunities in international relations which arise from the U.S. dropping of its opposition to loans granted to our country by international financial organizations. The government is instructing the related organs to seek more foreign aids and loans with concessional interests and conditions and further attract more direct foreign investment to ensure the construction progress of current construction projects and prepare to start new projects in the following years.

At the same time, it is necessary to supplement and apply uniform measures to tap all national assets to boost investment. Incentive policies must be adopted to encourage local investment and accelerate the establishment of shareholding or limited partnership corporations with the participation of different economic sectors. Diversified measures must be taken to attract the idle assets among the people, bearing in mind the need to apply various forms of medium- and long-term cash deposits. Plans must be worked out to expand the insurance services.

Waste and corruption remain very serious on the capital construction front. The government is making an overall review of capital construction regulations, stepping up inspection work to guarantee strict implementation of regulations, and adopting measures against waste and corruption that may occur in the process of awarding contracts, formulating plans, making estimates, implementing projects, purchasing equipment, and so forth. Officials in charge of the various sectors, localities, or agencies that have received investment funds must be held directly responsible for any violations of the regulations governing management and control of budget allocations.

The third issue involves spending on projects to generate jobs, eradicate hunger, and reduce poverty. The campaign to generate jobs, eradicate hunger, and reduce poverty constitutes a key national socioeconomic development program that calls for the effort of society as a whole and must be closely linked with other investment projects to benefit the overall economy. The government has set aside part of the 1993 budget for this program. It is necessary to see to it that in the latter half of the year, adequate and timely measures be taken to provide funding for the campaign to build new economic zones, promote settled life and settled farming, cover bare hills with greenery, generate jobs, support agricultural production, give subsides to pricing and transportation costs, and assist socioeconomic development in the mountain regions and areas inhabited by ethnic minority compatriots.

To implement the National Assembly's resolution on opposing waste and enhancing the efficiency of investment projects in this domain, the government has replaced the system of free distribution of development aid and of indiscriminate donation of relief assistance—which have yielded only insignificant results—with the system of distribution based on well-defined socioeconomic development projects and on the recipients' responsibility to pay back the funds received. This is a necessary and positive change. All sectors and echelons, however, need time to adapt to this new move.

It is certain that together with our success in securing sufficient sources of budget revenues and credits, our satisfactory implementation of the party Central Committee's Fifth Plenum Resolution, the revised law on land, the agricultural land use tax law, and other revised tax laws that have been adopted by the National Assembly at this session will effect positive breakthroughs in the campaign to generate jobs, eradicate hunger, and reduce poverty, especially with regard to mountain regions and areas inhabited by ethnic minority compatriots.

Our objectives will not end when the campaign to eradicate hunger and reduce poverty is materialized. Instead, we should continue taking measures to encourage and create conditions for people to enrich themselves within the bounds of law. As people enrich themselves, we will have more conditions and opportunities to resolve the unemployment problems, eradicate hunger, and reduce poverty.

Part II

BK1607095593 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 15 Jul 93

[Continuation of "excerpts" of a report read by Deputy Prime Minister Phan Van Khai at the National Assembly's afternoon session on 14 July—recorded]

[Text] In implementing the Political Bureau's Directive No. 15 and the National Assembly's resolution, the prime minister has issued Decision No. 114 dated 21 November 1992 on measures to contain and eliminate the evils of corruption and smuggling. The struggle against corruption and smuggling is one of the 10 major tasks which need to be urgently carried out in the framework of the government's 1993 action program.

In early 1993, the government set up the Anticorruption and Smuggling Central Committee Standing Body. Ministries, sectors, and local administrations at all levels also set up standing bodies to assist unit chiefs in directing and overseeing the development of this campaign. The government has held regular meetings to assess the situation through inspection and assessment to point out shortcomings and clearly define the responsibilities of all sectors and echelons toward this struggle. Detailed government reports on the results of the campaign against corruption and smuggling since early 1993 have been forwarded to the comrade National Assembly deputies.

May I avail myself of this opportunity to deal with a number of additional points as follows:

1. Regarding the results of the campaign against corruption and smuggling in the past six months, some people maintain that the campaign does not effect any changes for the better. Others believe that the more vigorously the campaign develops, the greater the number of negative phenomena. In my personal opinion, if one takes into account what we have done so far in this field, those remarks could not be completely accurate.

In the framework of the campaign to contain and to eliminate the evils of corruption and smuggling, the government has set forth four objectives to be fulfilled in 1993 as follows: First of all, it is necessary to improve the management system to keep production and business activities of the various economic sectors within the bounds of law.

Secondly, it is important to increase control over our internal ranks to put an end to the smuggling activities or collusion with smugglers by state economic establishments, mass organizations, and military units. Leading officials in the various sectors, localities, state agencies, mass societies, and military organizations must assume a direct role in overseeing the campaign against corruption and smuggling in agencies and units under their charge.

Thirdly, it is necessary to focus on targeted areas and individuals, bearing in mind the need to deal heavy and accurate blows and take severe measures against a number of major corruption and smuggling cases.

Fourthly, steps must be taken to consolidate and strengthen key forces in charge of suppressing corruption and smuggling. It is important to try by all means to oppose corruption and smuggling activities among these forces.

Only four months have elapsed since the widespread development of this campaign in 53 provinces and cities. In the meantime, all sectors and echelons have done a relatively fine job. The following is our evaluation report on the concrete results:

A number of not-too-substantial yet important initial results have been scored. Those initial achievements have opened a new way of doing things and have testified to the correctness of our policies and measures. If the various sectors and echelons from the central down to the grassroots levels uphold the determination to act in line with set orientations, the situation will certainly undergo changes for the better.

Since early 1993, in implementing set plans, many provinces and cities have positively directed and overseen the application of the business registration system. At the same time, steps have also been taken to inspect the various business establishments to make sure that they keep their operations within the limits agreed upon at the time of business registration. Compared with 1992, marked progress has been made nationwide in fulfilling the tax collection target set by law. Compared with the same period last year, a greater number of cases of corruption and smuggling, of fake goods production and trading, and of other illegal business activities has been uncovered nationwide thanks to intensified control and inspection. Compared with the past, more timely and more adequate steps have also been taken to apply administrative and civil measures against violations in accordance with the new legal documents which have been supplemented or amended by the National Assembly.

Over the recent past, we have applied the most severe punitive measures, including the death penalty and life prison term, against a number of corruption or smuggling ringleaders.

Besides the majority of officials who are courageously and strictly carrying out their duty and government policies, we have discovered some spongers in the business registration and control forces. Since the beginning of this year, the Customs Service, Taxation Service, Economic Police, and Market Management Force have discharged more than 400 officials and charged dozens of officials who are degenerates. And they are continuing to purify their contingent of cadres.

Those are practical results achieved by all sectors and levels in the past months in implementing Government Decision No. 114. But the efforts of all sectors and levels are not strong enough to create an important improving step in the fighting against corruption and smuggling as outlined by the government's 1993 planning.

In reviewing the implementation of the planning to fight against corruption and smuggling, it is found that every measure has been carried out but it has not reached a necessary level to create a prominent change. Even business registrations, a minimum demand of the state management, have not been thoroughly executed. Many people are doing business without registration or their registrations are not in conformity with state regulations regarding their type of business. Many people are conducting a different business from the one they registered. Through sample checking, it is found that this occurs in 60 percent of business registrations.

Great amounts of tax revenues are lost. In border areas, at least 30-40 percent of the import tax of nonstate economic units is lost. Many big and medium businesses do not have any bookkeeping and legal invoices and documents in conformity with statistical and accounting regulations.

The number of the state-run economic units directly involved in smuggling is decreased but the situation where they grant their lending hands to smuggling is not totally stopped. Moreover, in some places, that has increased to a more serious level. The government transportation means—which account for most of transportation means in sea, river, railway, and air transport—are still used to carry smuggled goods. If every sector and level could satisfactorily manage their own transportation means, the smugglers would not have been able to carry out their work in a vast area on a large scale as appears to be the case at the moment.

The trading of illegal products, especially narcotics, has increased in quantity and kind. Recently, not only illegal imports, but illegal exports have also seriously appeared. The illegal export of log and scrap metal as well as the import of banned goods are still happening on a serious level, especially in coastal and border provinces.

The current tax evasion and illegal imports and exports have neutralized the state policy on adjusting the economy by taxes. Illegal importing is one of the main reasons that prices of some imported goods such as textiles, clothes, electric fans, bicycles, and so forth are very cheap, causing bad effects and disadvantages to local products in market competition.

Why does that situation happen? We have no illusion that in a relatively short period of time, we can totally solve an evil that causes pains in society and comes from very complicated origins and factors. But we have to directly look at our subjective reasons. In the fight against corruption and smuggling, the decisive factor is the establishment of order and principles, first of all, in the state mechanism. The heads of administration at all levels and state-run economic units must bear the biggest responsibility in this fight in their responsible organs and units. This has not been thoroughly understood and manifested in practical deeds by every organization and everybody working in our government mechanism. And that should be strictly criticized.

Besides some places which have been practically and actively doing their jobs, no small number of places set up programs of action to execute the National Assembly resolutions and government decisions only as a formality. But in reality, they are not determined to fight smuggling and corruption. Even more seriously, in some places, for their own organization and personal interests, they have turned a blind eye or even agreed with those wrongful actions.

In many places, programs of action have neither gone to the grass roots nor become a public campaign. In reality, the fight against smuggling and corruption is carried only by some entrusted organs. Therefore, they have not been able to change much of the situation.

The lack of uniform coordination of economic, financial, ideological, and organizational measures and close coordination among different law enforcement forces with government organs and mass organizations in the past has limited the combined strength and reduced the effectiveness of the state management system.

From now until the end of the year, the government will instruct all sectors and levels, on the basis of experiences gained in the past six months, to strive to fulfill the set target. That is we must create an important change in the fight against corruption and smuggling in 1993. The urgent and important demand in the last six months is to stop the increasing illegal imports which are threatening local production and causing instability in the national market and social life.

We have outlined quite enough policies and measures. We can only improve the situation of smuggling and corruption when the heads of government organs, party committees, mass organizations, and state-run economic units are determined to provide guidance and implement in an examplary way the requirements of this fight.

'Text' of Nong Duc Manh's Speech Closing Assembly

BK1507140193 Hanoi Vietnam Television Network in Vietnamese 1200 GMT 14 Jul 93

[Text of National Assembly Chairman Nong Duc Manh's speech at the closing ceremony of the Ninth National Assembly's Third Session at the Conference Hall in Hanoi on 14 July—recorded]

[Text] Dear Comrade Do Muoi, general secretary of the Communist Party of Vietnam [CPV] Central Committee; Comrade Vo Chi Cong, adviser to the CPV Central Committee; Comrade Le Duc Anh, president of the SRV; and Comrade Vo Van Kiet, prime minister; dear National Assembly deputies and distinguished guests:

After one month of urgent work and with a high sense of responsibility, the National Assembly has remarkably fulfilled its tasks in a democratic fashion and has satisfactorily completed the agenda of the Ninth National Assembly's Third Session. [applause]

At this session, the National Assembly—with an aim to continue institutionalizing the party lines and policies, concretizing provisions of the SRV 1992 Constitution, and perfecting the legal system step by step—has spent much time examining and adopting various important laws which are of keen interest to people throughout the country. These are the law on land, the law on agricultural land use tax, the revised overturn tax law, the income tax law, the special consumption tax law, the export-import tax law, the law on oil and gas, and the law on publications. The National Assembly also discussed and contributed ideas to the draft laws on state-run business, on bankruptcy of business establishments, and on power and order in the promulgation of legal documents in anticipation of examination and adoption of these draft laws in the next National Assembly session.

The objective of the promulgation of legal documents this time are to create legal grounds for national development in many domains so as to explore, exploit, utilize, and effectively protect our oil and gas resources, as well as encourage publishing activities aimed at meeting people's cultural and information demands, vigorously bring into play the masses' creativeness, and adjust a number of irrationalities in a number of tax laws currently in effect to stimulate production, strengthen state management efficiency, and secure sources of budget revenues.

With regard to agriculture, the promulgation of those legal documents will give peasants a sense of security so they can engage in production and business activities, as well as make good use of land funds. This move will also help implement social justice, firmly maintain political stability and public order in the countryside, and advance economic reform a step further.

The law on land stipulates the granting of the right to use land on a long-term basis to peasants. Land users are entitled to the right to exchange, transfer, or rent those plots of land allotted to them, as well as pass this right on to their heirs or use those plots of land as collateral in accordance with law.

The law also determines the ratio of land reserve, land categories, and land for residential purposes. These moves are of important significance because they mark a new progress in the land management and utilization system, as well as define land users' rights and responsibilities.

Together with the law on land, the promulgation of the law on agricultural land use tax reflects the spirit of taking into account the people's ability to pay taxes while at the same time securing the sources of state budget. In this way, there will be conditions for making reinvestment in agriculture and for building a new life in the countryside.

These two legal documents have contributed to institutionalizing the party's resolutions, especially the seventh Party Central Committee's Fifth Plenum resolution on continued renovation of socioeconomic development in the countryside.

Also at this session, with the aim of renovating the National Assembly's organization and activities step by step, the National Assembly discussed and adopted regulations on work procedures of National Assembly deputies and delegations, the National Assembly Standing Committee, the Nationalities Council, and other National Assembly committees. After reviewing the National Assembly Standing Committee's report on the 1993 legislative work program, the National Assembly decided to revise and supplement this program for the second half of the year. The National Assembly adopted eight laws, four regulations, and discussed and contributed ideas to 13 draft laws. As a result, the Ninth National Assembly's Third Session has marked new progress in the legislative work and has drawn on valuable experiences in examining and adopting a legal document that provides the prerequisite for the completion of the 1993 legislative work program as set by the Ninth National Assembly's Second Session. This will help us to build step by step the socialist Vietnamese law-governed state; the state of the people, by the people, and for the people.

Dear National Assembly deputies, an urgent demand at present is to create a habit of living and working by the Constitution and law in public. However, so far, no small number of legal documents have been slowly implemented or not strictly implemented. In order to end that situation, the government needs to quickly issue guidance for the application of the laws after they are passed by the National Assembly. It needs to satisfactorily conduct propaganda work to widely disseminate the laws in public. It must strengthen the role of law enforcement agencies to ensure that the laws are strictly and uniformly implemented in the entire country. The government also needs to deal quickly with violations of the laws to meet its role of state management by the law.

For our part, the National Assembly deputies must observe and actively motivate the public for a strict conformity of the law and closely supervise the implementation of the laws by government organs. We must actually contribute our share to quickly bring the legal documents to life.

Dear National Assembly deputies, the National Assembly has examined the government report, heard the prime minister's report on the implementation of tasks during the first half of 1993, heard cabinet members answer deputies' questions, and examined the National Assembly Standing Committee's report on the compilation of viewpoints of voters throughout the country.

The National Assembly is very happy to see comprehensive changes in all aspects of the nation. Agricultural and industrial production and communications and transportation has continued to develop remarkably. The management of financial and monetary activities has made new progress, thereby contributing to gradually stabilizing the national economy. Foreign trade relations have been expanded while the educational, cultural, scientific, public health, and social domains have improved, thus strengthening the spirit of the party Central Committee's Fourth Plenum resolution. Progress has also been made in many other domains. National security and defense have been firmly maintained despite complicated changes in the world and sabotage activities at home.

Achievements and progress made during the past period are attributable to the utmost efforts of the entire people and armed forces; the correct leadership of our party; the management efficacy of the government, sectors, and echelons; and the close cooperation of the Vietnam Fatherland Front and other mass organizations.

The National Assembly warmly welcomed and highly commended people throughout the country for their efforts in upholding their patriotism and self-reliance impetus, in striving to overcome numerous difficulties, and in satisfactorily fulfilling tasks during the first half of 1993. [applause]

While welcoming these achievements, we must realize that we still have weaknesses and numerous difficulties to overcome. They include a shortage in capital for agricultural and industrial production; the need for more markets for industrial goods; an unstable financial and monetary situation; and setbacks in developing and expanding the activities of the educational, cultural, public health, and social domains. We must also realize that results are low in the suppression of corruption and smuggling, while developments in political security and social order and safety are complicated.

The National Assembly urges the government to formulate promptly concrete measures to accelerate the development of agriculture, industry, and export-import; improve the financial and monetary situation; and eliminate factors that cause instability and obstruct economic development. We must practice thrift to save money for investment, strive to effect changes for the better in the cultural and social domains, satisfactorily reform the wage system, and improve the people's daily life step by step, especially those living in the mountain regions and ethnic minority zones. Efforts must be made to consolidate national defense and security, to strive to suppress corruption and smuggling, and to carry out administrative reform to create favorable conditions for triumphantly fulfilling the remaining tasks of the second half of 1993, thereby creating an impact on national development in the ensuing years.

The National Assembly warmly welcomes and takes note of ideas contributed by voters throughout the country. Their viewpoints have demonstrated their enthusiasm and a high sense of responsibility in carrying out the renovation undertaking and overcoming the pressing issues in the people's daily life. This has also manifested the voters' confidence in the state organ of highest authority.

The National Assembly discussed and examined various issues and urged the government and various echelons and sectors to study seriously and to compile the voters' viewpoints. National Assembly deputies must get in touch with the voters to hear their wishes and aspirations. This is their regular task in carrying out their duty as National Assembly deputies. It is also necessary for voters throughout the country to continue developing the citizen's rights and obligations while making more concrete contributions to national construction and defense.

At this session, the National Assembly heard the government's report on foreign affairs activities during the first sixth months of 1993 and tasks and orientations of our state in the next period. The National Assembly highly appraised our state's positive foreign affairs activities during the past period and welcomed the fine results of official visits to various countries by our party and state leaders. These visits helped to expand friendship and cooperation with other countries; to create favorable international conditions for the cause of our national construction and defense; and to contribute concretely to the efforts of the peoples in the region and the world toward peace, national independence, democracy, and social progress. The National Assembly expressed its concern over the complicated and tense situation in various regions of the world.

Regarding the Cambodian issue, the National Assembly asserted our state's unswerving stand in seriously implementing the Paris Peace Accord; strictly respecting Cambodia's independence and sovereignty; strengthening the friendly and cooperative relations with the Cambodian people; and advocating national reconciliation among the Cambodian factions to build a Cambodia that is peaceful, neutral, nonaligned, and friendly to all nations. In the second half of the year, efforts should be made to accelerate the implementation of the open door foreign policy and continue to develop friendly and cooperative relations with foreign countries so as to serve effectively the socioeconomic development program and contribute to the common struggle for peace, stability, cooperation, and development in the region and the world. At this session, the National Assembly has also decided on a number of important issues.

Dear National Assembly deputies, the success of this National Assembly session is the result of the thorough preparation of related organs and National Assembly deputies, National Assembly organs, and the active contribution of the people, sectors, and levels from the entire country. That is the result of a dedicated, democratic, and highly responsible working attitude of National Assembly deputies. That is also the result of the effective contribution of mass media agencies and other organizations during the session. The National Assembly warmly welcomes and hails those precious contributions. [applause]

The responsibility of the National Assembly, National Assembly organs, and National Assembly deputies after this Third Session is very formidable. On the foundation of the regulations governing the activities of the National Assembly deputies and delegations and other regulations, which were just passed the National Assembly, it is necessary to satisfactorily implement this National Assembly session's decisions to meet the expectation of the people in the entire country.

That responsibility demands a continued and close contact with the public from every National Assembly deputy. The deputies must quickly report all National Assembly decisions to the voters. They must motivate the entire public to strictly and actively implement the National Assembly resolutions. At the same time, they must satisfactorily implement the supervision role of the National Assembly over the government organs to make sure that the government organs fully observe orders and principles in state and socioeconomic management. The deputies must strictly observe the laws and satisfactorily accomplish their entrusted duties.

The National Assembly calls on the people and soldiers in the country and compatriots living abroad to unitedly heighten the conscious of self-reliance; to strive to save for development investment; to develop their positivism and creativeness; grab opportunities and advantages; to overcome all obstacles and difficulties; to strive tirelessly for the undertaking of population prosperous, nation powerful, and society civilized; and to accomplish determinedly all targets and duties set forth for 1993 to create a foundation for a strong and firm development in the following years.

In that enthusiasm and belief, I declare to close the Third Session of the Ninth National Assembly. [applause]

Spokeswoman Welcomes High-Level Visit

BK1607112893 Hanoi Voice of Vietnam in English 1000 GMT 16 Jul 93

[Text] Vietnam welcomes the visit of the high-level delegation of U.S. State Department and military officials, which arrived in Hanoi on Thursday for talks on bilateral relations. This was stated by Mrs. Ho The Lan, the spokeswoman for the Ministry of Foreign Affairs at the regular press conference in Hanoi on Thursday. She said:

The importance of the visit is reflected by its being the highest-level U.S. official delegation since the end of the war. The delegation is headed by Assistant Secretary of State in charge of East Asia-Pacific Winston Lord.

The Americans are scheduled to meet with Deputy Foreign Minister Le Mai and senior officials from the Defense Ministry; the Ministry of Labor, War Invalids, and Social Welfare; and the Vietnam Veterans Association.

The two sides will discuss further cooperation in the settlement of the MIA issue and other issues of mutual concern. The spokeswoman then said:

Together with the decision to unblock other countries' efforts to help Vietnam solve its arrear to the International Monetary Fund, U.S. President Bill Clinton decided to send this delegation, led by Winston Lord, to Vietnam.

Vietnam highly appreciates it and hopes that this is a new step in cooperation to resolve humanitarian issues, including the MIA issue, and gradually improves relations between Vietnam and the United States.

Mrs. Ho The Lan further noted that like with previous American delegations, Vietnam will assist Winston Lord and his group in every possible on their mission, and do everything possible to normalize relations between the two countries. Vietnam believes that the United States understand Vietnam's stand. Mrs. Ho The Lan said:

Vietnam welcomes the IMF's decision to cooperate with Vietnam and that after Vietnam clears its debts, it will undertake loans from this international financial organization. Surely, the IMF, the World Bank, and the Asian Development Bank are sending delegations to hold detailed discussions.

Also at the regular press conference, Mrs. Ho The Lan said Foreign Minister Nguyen Manh Cam pays a visit to Laos from 15 to 18 July at the invitation of the Lao foreign minister. The purpose of this visit is to promote the implementation of some agreements between the two countries, laid out during the visit to Vietnam by Lao Party and State Leader Khamtai Siphandon in March.

Referring to Wednesday report that between three and 12 Vietnamese had disappeared in the past week near Baribo in the central province of Kompong Chhnang, the scene of previous ethnic killings, Mrs. Ho The Lan said the latest crimes were particularly serious because they were perpetrated not long after the general election, which brought new hopes for peace and security in Cambodia.

She said: Vietnam strongly denounces the Khmer Rouge's atrocities against Vietnamese residents in Cambodia. Vietnam urges UNTAC [United Nations Transitional Authority in Cambodia], the new government in Cambodia, the signatories to the Paris agreement as well as the world community to act in conjunction to ensure security for the Vietnamese and other foreign residents in Cambodia.

U.S. MIA Team Arrives; Hanoi Pledges Cooperation

BK1507123093 Hong Kong AFP in English 1220 GMT 15 Jul 93

[By Andrew Sherry]

[Text] Hanoi, July 15 (AFP)—Vietnam pledged Thursday to meet every request of a high-level U.S. delegation that arrived here to press for greater progress in accounting for missing American servicemen, the last major hurdle to normalization between the two countries.

Assistant Secretary of State Winston Lord, Deputy Secretary of Veterans Affairs Hershel Gober and Lieutenant General Michael Ryan of the Joint Chiefs of Staff jointly led the 11-man delegation that flew in from a U.S. base on Okinawa. They were accompanied by leaders of the United States' four largest veterans' groups, who said they had come to bring their comrades home.

"We're prepared to make every arrangement to meet your requests," Deputy Foreign Minister Le Mai said as he greeted the highest-level U.S. delegation to visit Vietnam since the end of the Vietnam War in 1975.

U.S. President Bill Clinton dispatched the team on July 2 after dropping opposition to settlement of Vietnam's debt to the International Monetary Fund, a decision that unblocks international lending to Vietnam and takes the teeth out of the longstanding U.S. economic embargo.

Clinton said he took the step to recognize Hanoi's efforts in accounting for prisoners of war (POW) and soldiers missing in action (MIA), but said the U.S. team would press for further progress in four key areas, including investigation of the 92 remaining MIA "discrepancy cases" in Vietnam.

"We'll try to increase the mutual understanding and push ahead the cooperation of the two countries, particulary on the question of MIA," Mai told reporters, vowing to try to make the "important visit" a "success."

The Americans were to meet notably with Communist Party chief Do Muoi, Defense Minister Doan Khue and Interior Minister Bui Thien Ngo in Hanoi before leaving Saturday for a 24-hour visit to Ho Chi Minh City, formerly Saigon.

Of the four leading veterans' organizations represented, two opposed Clinton's IMF decision and two supported it. But leaders of all four said their goal now was to be sure Vietnam would keep cooperating in achieving the fullest possible accounting of missing Americans.

"If they don't continue to help us... then we'll stand against any embargo-lifting or normalization," said Alex "Gunner" Kent, a gravelly voiced officer of the Veterans of Foreign Wars. "Our business is to find our comrades who were lost during the war and bring them home."

The American veterans said they were ready to provide humanitarian assistance to their disabled Vietnamese counterparts, especially—but not exclusively—to their former South Vietnamese allies.

Lord's predecessor as assistant secretary of state for East Asian and Pacific affairs, Richard Solomon, pledged aid worth close to three million dollars to Vietnam during a March 1992 visit in response to concrete pledges of cooperation on MIAs. Washington in 1991 set cooperation on MIAs and support for the Cambodian peace process as the main conditions for lifting the embargo and normalizing diplomatic relations, and Lord testified in June that Hanoi had fulfilled the second condition. However Clinton later said the U.S. delgation would also press Hanoi on human rights.

U.S. business has been lobbying Clinton to let the embargo lapse when it comes up for renewal in September, especially now that international loans are set to start flowing to Vietnam.

The Vietnamese Foreign Ministry announced Thursday that senior representatives of 15 American firms including Exxon, Amoco and General Electric would visit from July 26-29. But David Givans, leader of Disabled American Veterans, said that as long as their were doubts as to whether Hanoi freed all U.S. POWs in 1973, accounting for the missing would remain the top priority.

"I think that it would be extremely difficult for any American veteran who happens to be a businessman to put economic concern above humanitarian concern for his comrades-in-arms," he said.

Defense Minister Warns Against 'Peaceful Evolution'

BK1607074093 Hong Kong AFP in English 0545 GMT 16 Jul 93

[Text] Hanoi, July 16 (AFP)—Defence Minister Doan Khue has renewed his warning against subversion of Vietnam's communist system through "peaceful evolution," the People's Army daily reported Friday. The remarks, made Thursday to graduates of the army's Political-Military Institute, were published as General Khue met the most senior U.S. delegation to visit Vietnam since the end of the Vietnam War.

"Vietnam is at the centre of manoeuvres of peaceful evolution of hostile forces," said Khue, a senior Communist Party Politburo member.

The term "peaceful evolution" was coined by then-secretary of state John Foster Dulles at the height of the Cold War in the 1960s to describe the subversion of communist governments through economic and other non-violent means.

Khue, citing the collapse of communism in eastern Europe and the former Soviet Union, called on the army to maintain a high state of vigilance and combat-readiness.

"More than ever, the struggle of the party and our socialist government to defend independence, sovereignty, territorial integrity, Marxism-Leninism and Ho Chi Minh thought must be waged every day, every hour in a very active and complex manner," he said.

The minister Friday met U.S. deputy secretary of veterans affairs Hershel Gober, assistant secretary of state Winston Lord, Lieutenant General Michael Ryan and leaders of U.S. veterans groups. They said they would ask the army for enhanced cooperation in accounting for U.S. servicemen missing from the Vietnam War. Khue, who has previously accused the West of using the human rights issue as a tool of subversion, sat down with the Americans beneath a laquer portrait showing independence hero Ho Chi Minh, his head framed by the sun like a halo.

Hanoi Denounces Khmer Rouge Massacre of Vietnamese

BK1507105093 Hanoi Voice of Vietnam in English 1000 GMT 15 Jul 93

[Text] Vietnam has strongly criticized the massacre in the past week of 12 Vietnamese nationals in Cambodia by Khmer Rouge guerrillas in the central province of Kompong Chhnang. This was stated by Mrs. Ho The Lan, a spokeswoman of the Vietnamese Foreign Ministry at the regular press conference in Hanoi on Thursday, 15 July.

Mrs. Ho The Lan said that while it was not the first time the Khmer Rouge has attacked Vietnamese residents, the move was more serious as it took place shortly after the general elections for the the Constituent Assembly in Cambodia and when Cambodian people and the world are working for peace.

Vietnam calls for UNTAC [UN Transitional Authority in Cambodia], the new interim government, and other signatories of the Paris peace agreement on Cambodia as well as the international community to take necessary measures to prevent and put an end to the barbarous acts conducted by the Khmer Rouge, thus ensuring a stable life for Vietnamese nationals and other overseas residents in Cambodia.

Embassy in Cambodia Denounces Ethnic Killings

BK1507161793 Hanoi VNA in English 1539 GMT 15 Jul 93

[Text] Hanoi VNA July 15—The Vietnamese Embassy in Phnom Penh has denounced and condemned the Khmer Rouge for killing on July 6,8 and 10, 20 more Vietnamese residents in Cambodia. In a July 15, 1993 note addressed to the Supreme National Council (SNC), the UN Transitional Authority in Cambodia (UNTAC) and the Foreign Ministry of the Provisional National Government of Cambodia, the Vietnamese Embassy in Cambodia said that it energetically condemned the Khmer Rouge crime and earnestly urged the SNC, the UNTAC and the Provisional National Government of Cambodia to take urgent, strong and effective measures to investigate the killings, punish the culprits, immediately stop the recurrence of savage acts, and to protect the Vietnamese residents in the spirit of the Paris agreements and international documents on human rights.

Nguyen Manh Cam Pays Official Visit to Laos

BK1507162393 Hanoi VNA in English 1550 GMT 15 Jul 93

[Text] Hanoi VNA July 15—Vietnamese Foreign Minister Nguyen Manh Cam and his party arrived in Vientiane this noon, beginning their official visit to the Lao People's Democratic Republic. Right after his arrival, Foreign Minister Nguyen Manh Cam laid a wreath to the monument to fallen combatants in Vientiane. In the afternoon, the visiting delegation held talks with a Lao Foreign Ministry delegation led by Minister Somsavat Lengsavat. The two sides exnhanged views on measures to consolidate and promote the special friendship and allround cooperation between the two countries in general and between the two ministries in particular. The two sides had the same views on several issues relating to Southeast Asia and the world. Later in the day, Foreign Minister Nguyen Manh Cam called at Lao President Nouhak Phoumsavan who said that the Lao Government and people of all nationalities are following with keen interest the Vietnamese people's progresses and are glad at the great achievements Vietnam recorded over the past years. The two countries's great achievements in the current renovation process can serve as the basis for the promotion of the fruitful traditional relations between the parties, states and peoples of the two countries, Nouhak Phoumsavan affirmed. He described the visit as a positive contribution to consolidating, developing the special friendship and comprehensive cooperation between the Lao and Vietnamese parties, governments and peoples.

Received by Khamtai Siphandon

BK1607154293 Hanoi VNA in English 1443 GMT 16 Jul 93

[Text] Hanoi VNA July 16—Chairman of the Central Committee of the Lao People's Revolutionary Party and Prime Minister Khamtai Siphandon received in Vientiane this morning Foreign Minister [F.M.] Nguyen Manh Cam and his party who paid him a courtesy visit.

Chairman Siphandon welcomed the current official Laos visit of F.M. Nguyen Manh Cam. He praised the tradition of solidarity, special friendship and multiform assistance between Laos and Vietnam in their struggle for national liberation in the past as well as in the national defence and construction in each country at present. Chairman Siphandon also welcomed great achievements recorded by Vietnam in recent years, and expressed his belief that with the renovation policy of the Vietnamese party and state, the Vietnamese people will gain greater achievements in the coming years. He pointed to the necessity to further consolidate and strengthen the special friendship and multiform cooperation between the two countries.

Lao Party School Delegation Visits 8-15 Jul

BK1607075493 Hanoi VNA in English 0615 GMT 16 Jul 93

[Text] Hanoi VNA July 16—A delegation of the ideology school of the Lao People's Revolutionary Party led by Its Director Sileua Bounkham, member of the Party Central Committee, paid a working visit to Vietnam from July 8-15. While here it had working sessions with the Ho Chi Minh National Politics Institute and called at its branch in Hanoi. It also visited Ninh Binh Province, southeast of Hanoi, and an industrial establishment here.

The delegation was received by Nguyen Duc Binh, politburo member and secretary of the Communist Party of Vietnam Central Committee.

Commentary Reviews Recent Relations With France

BK1507095793 Hanoi Voice of Vietnam in English 1000 GMT 14 Jul 93

[Station commentary]

[Text] President Le Duc Anh expressed pleasure in the positive development of relations between Vietnam and France, especially since the exchange of visits by President Mitterrand and Prime Minister Vo Van Kiet. The president's comment was made on French National Day, 14 July. Marking this occasion, now radio editors review recent Franco-Vietnamese relations.

The Republic of France is the first Western country to take the initiative in establishing comprehensive relations with Vietnam. The last two years have seen rapid and positive developments. In February, President Francois Mitterrand was the first head of state of a Western country to visit Vietnam. Through that visit, Vietnam and France totally restored normal relations, marking a new stage in the relations between the two countries.

And more recently, during Prime Minister Vo Van Kiet's visit to France, President Mitterrand and other French senior leaders reaffirmed France's support to the current renovation in Vietnam and promised to increase its multifaceted cooperation. Economically speaking, France ranks first among Western countries investing in Vietnam with a total of registered capital of over $460 million. Four out of six foreign financial institutions with office branches in Vietnam are French. France also invested in building the Metropole Hotel in Hanoi, helped Vietnam buy civil planes from Western countries, and built the trans-Vietnam high voltage transmission line. France played an active part in convincing the World Bank and IMF to lend Vietnam money. Many French companies are now operating in Vietnam, including Total in oil and gas, Alcatel in telecommunications, (Chinifan) in the hotel industry, and Citroen in car assembly.

In commerce, France is the largest Western trading partner of Vietnam with a two-way trade turnover of more than $210 million in 1992. In 1992, France granted $35-million aid to Vietnam and for 1993, increased to $60 million.

Vietnam and France now enjoy further relations and cooperations in culture, public health, and education.

Do Muoi Receives New French Ambassador

BK1507151593 Hanoi VNA in English 1457 GMT 15 Jul 93

[Text] Hanoi VNA July 15—General Secretary of the Communist Party of Vietnam Central Committee Do Muoi received here today French ambassador to Vietnam Jean Francois Nougarede who paid him a courtesy visit on the occasion of his new mission in Vietnam.

Speaking at this occasion, Ambassador Francois Nougarede expressed his joy to work in Vietnam in the stage when the friendship and cooperation between the two countries begin a new step of development which was marked by the Vietnam visit by President Francois Mitterrand early this year and the recent France visit by Prime Minister Vo Van Kiet.

The general secretary thanked the French president, government and people for their valuable assistance and support for the Vietnamese people in their national construction. He expressed his belief that the relations between the two countries would further develop.

12 Foreign Airlines Service HCMC Airport

BK1507063593 Hanoi VNA in English 0619 GMT 15 Jul 93

[Text] Hanoi VNA July 15—There are now 12 international airlines operating out of Tan Son Nhat airport in Ho Chi Minh City.

This follows the opening of two new airlinks this year with KLM of Holland and Asiana from South Korea.

In the first half of this year, Tan Son Nhat airport handled 745.794 passengers and 12,529 tonnes of cargo.

The success in attributed to greater investment in modern equipment such as automatic baggage weighing machines and a timer system.

A new national standard terminal will be put into commission to accommodate the growing volume of passengers.

This year, the airport expects 1.3 million passengers, up by 100,000 over last year.

Government Welcomes IMF Pledge To Resume Loans

BK1507161693 Hong Kong AFP in English 1020 GMT 15 Jul 93

[Text] Hanoi, July 15 (AFP)—Hanoi welcomed Thursday the International Monetary Fund's pledge to resume loans once Vietnam's debt is settled, and said an IMF delegation would visit here soon for "detailed discussions" of an assistance program.

"We welcome the IMF's reconfirmation of its cooperation with Vietnam," Foreign Ministry spokeswoman Ho The Lan said.

An IMF executive board meeting in Washington concluded Wednesday with a pledge to end the ban on lending once Vietnam settles, with international assistance, its approximately 140 million dollar arrears.

The move, which would also restore Vietnam's eligibility for World Bank, Asian Development Bank and bilateral loans, had been blocked by the United States until July 2, when President Bill Clinton dropped the opposition in recognition of Hanoi's cooperation in accounting for U.S. troops missing from the Vietnam War.

France and Japan have led a group of countries that have pledged financial assistance to help Vietnam settle its arrears.

Vo Van Kiet Meets With UNDP Representative

BK1507161193 Hanoi VNA in English 1540 GMT 15 Jul 93

[Text] Hanoi VNA July 15—Prime Minister Vo Van Kiet received here this morning UNDP resident representative in Vietnam Mr. Roy D. Morey who informed the P.M. of the forthcoming meeting of Vietnam's donor countries. The UNDP resident representative said that the Vietnamese government's well-prepared report on development strategy to be delivered at the meeting to be sponsored by the UNDP and the World Bank in Norway in November this year would be the basis for foreign countries to understand Vietnam and to perceive what would help Vietnam develop. He expressed his wish for positive cooperation from the Vietnamese government to the preparations and process of the meeting. He also assured the Vietnamese P.M. of UNDP's efforts to contribute to the success of the meeting. For his part, P.M. Vo Van Kiet expressed thanks to the UNDP and the World Bank for the meeting which Vietnam is interested in and highly values. He cited Vietnam's urgent socio-economic questions and Vietnamese government's orientation to use aid from foreign countries in such main fields as infranstructural construction, human resource development and afforestation of bare and unused land, in accordance with the interest of Vietnam and the United Nations. He affirmed that the Vietnamese Government will do its best to, together with the UNDP and the World Bank, make good preparations for the meeting and to positively contribute to the success of the meeting.

Vo Van Kiet Receives ROK Corporation Chairmen

BK1607071493 Hanoi VNA in English 0604 GMT 16 Jul 93

[Text] Hanoi VNA July 16—Prime Minister Vo Van Kiet received here yesterday Mr. Suk Won Kim, chairman of the managing board of the Khic Heavy Industry and Construction Corporation, and Mr. Soo Kwang Lee, chairman of the Ssangyong Heavy Industry and Construction Corporations of South Korea, on a current working visit to Vietnam.

Speaking on the occasion, Mr. Suk Won Kim said that Khic and Ssangyong were interested in various fields in Vietnam firstly in energy and building materials production, including the building of a cement plant in Quang Ninh with a capacity of 1.2 million tonnes/year, and at the same time in helping Vietnam train technical and managing personnel.

Prime Minister Kiet welcomed Mr. Suk Won Kim and Soo Kwang Lee who come to seek possibilities of cooopperation with Vietnam in the fields of heavy industry, energy and construction. He thanked Khic and Ssangyong for helping in training 28 Vietnamese managers and technicians. He expressed his wish for expansion of cooperation between the Vietnamese and Korean industrial and building sectors for the interests of both sides.

Indian Firm Conducts Oil Exploration

BK1607092093 Hanoi Voice of Vietnam in English 1000 GMT 15 Jul 93

[Text] India is watching with great interest the oil exploration project off the coast of southern Vietnam, which is undertaken in conjunction with two other foreign companies. Drilling is going on at bloc six, about 350 km Southeast of Ho Chi Minh city which was awarded to Indian State-owned Oil and Natural Gas Corporation and operated by British Petroleum and State Oil of Norway.

Drug Cases in Courts Tripled in 1st Half of 1993

BK1507150793 Hanoi VNA in English 1447 GMT 15 Jul 93

[Text] Hanoi VNA July 15—The number of drug-relating cases tried in the first six months of this year trebled that in the whole last year.

There are estimaedly more than 150,000 drug addicts in the country, of them 130,000 in the 14 northern mountain provinces (where opium poppy is illegally planted) and in big cities. Vietnamese law strictly forbids the illegal production, storing, trafficking, transporting and abuse of all kinds of drug even death sentence is applicable to these cases. Over the past recent years, in order to check this social evil, many drug control special teams have been set up in city wards and communes. Many drug trafficking cases with great quantity have been discovered. Worthy of note were the cases of Ta Duy Tu who trafficked 58 kg of opium in Hanoi, and Wong Chi Shinh (Hong Kong nationality) who was arrested with 5 kg of heroin at Tan Son Nhat airport. Hundreds of drug addicts' dens have been swept away.

A national campaign on drug abuse prevention was launched early this year. The anti-drug abuse centres in Hanoi, Ho Chi Minh City, Quang Ninh, Ha Bac, Nam Ha, Lang Son, Lao Cai, and Nghe An have helped thousands of opium smokers and other drug addicts to give up the habit.

Pham The Duyet Attends Light-Industry Function

BK1607102493 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 14 Jul 93

[Text] A ceremony was held at the Hanoi combined yarn and knitted-goods enterprise on the morning of 14 July to introduce the party organization of the Hanoi light industrial bloc to the public. This the first party organization of the bloc that has ever been set up in the municipality.

Attending the ceremony were Comrade Pham The Duyet, member of the party Central Committee Political Bureau and secretary of the Hanoi municipal party committee; Comrade Dang Vu Chu, member of the party Central Committee and minister of light industry;

and representatives of many organs and sectors at the central level and in the municipality.

The party organization of the Hanoi light industrial bloc, which is directly subordinate the the municipal party committee, includes 48 grass-roots party organizations and party chapters of the central and local light industrial sector with some 4,000 members.

One of the major duties of the party organization is to direct and supervise the performance of tasks related to socioeconomic development at all light industrial establishments in Hanoi and make all subordinate party organizations and party chapters politically, ideologically, and organizationally strong and pure.

The Hanoi municipal party committee has appointed an interim executive committee of the party organization of the bloc, comprising 15 members who are holding key positions in party and specialized work at various establishments.

Australia

Plan for Satellite Warning System With U.S. Viewed

BK1507063193 Melbourne Radio Australia in English 0500 GMT 15 Jul 93

[Text] The federal government says the United States and Australia have been consulting on American plans for a new satellite system that could make obsolete the joint facility at Nurrungar in South Australia. Although the idea has been under consideration in the United States for some time, a statement from Australia's Defense Minister Robert Ray says it is still early days.

However, the spokesman says the so-called Follow-On Early Warning System could have consequences for Nurrungar, which has been been the focus of violent protests in the past. The goal of the new system is to provide better early warning against medium-range missiles, superseding the role of foreign facilities such as Nurrungar, which receive data about ballistic missile launches via American spy satellites.

[Hong Kong AFP in English at 0445 GMT in a similarly-datelined report adds: "The Nurrungar satellite station in Australia's interior will continue operating 'for some time to come', even if the United States proceeds with plans to upgrade its defence satellite warning system, an Australian Defence Department spokesman said Thursday.

["Responding to press reports from Washington that Nurrungar would become obsolete in such an eventuality, the spokesman said Australia was being consulted by the Pentagon on the proposals. The spokesman said that any proposal for the new U.S. system, known as the Follow-on Early Warning System (FEWS), was unlikely to be in operation for several years, during which time Nurrungar would continue to provide important intelligence information.

["'We're committed to maintaining Nurrungar for some time,' the spokesman said. 'We get a fair bit of information from the joint facility.'

["According to reports the main reason for the development of the FEWS are claims that it can detect a greater variety of missiles and relay the data faster back to earth.

["Under the proposals for the highly-classified new system, the FEWS would bounce the signal from one satellite to another before linking it directly back to the command centre—thus eliminating the need for stations like Nurrungar. But defence analysts here say any satellite-to-satellite system would be vulnerable to interference. If just one satellite was knocked out or stopped working, the entire system could fail. So Nurrungar, and bases like it, experts say would be likely to be maintained as a backup."]

Paper Comments on New System

BK1607081593 Melbourne THE AGE in English 15 Jul 93 p 3

[By Pilita Clark, U.S. correspondent in Washington]

[Text] The United States Defence Department is working on a sophisticated ballistic missile surveillance system that would elminate the need for the controversial satellite ground station at Nurrungar in South Australia.

The highly classified new system is known as FEWS, short for Follow-on Early Warning System. It is essentially an upgraded version of the existing network of satellites, the so-called Defence Support Program (DSP), which the US set up more than 20 years ago, during the Cold War, to detect Soviet missile launches.

The main reason for developing FEWS is that it can supposedly detect a greater variety of missiles and relay the data faster back to earth.

A recently declassified Pentagon report on FEWS says that one of its advantages over DSP is that it will make foreign-based ground stations like Nurrungar obsolete.

"The new system will reduce operating costs and manpower by eliminating the overseas ground stations," the report says.

Apart from cost savings, US defence officials say that FEWS will reduce US dependance on foreign countries, even if those countries are supposedly loyal allies like Australia.

Mr Duane Andrews, who was an Assistant Secretary of Defence in the Bush administration, has told a US House of Representatives subcommittee: "We would be able to phase out overseas ground stations, which is one of the goals that we have had so that we didn't have to rely on somebody else's goodwill to provide our essential missile warning."

After years of internal debate over a new early-warning system, the US Air Force quietly started the early development phase of FEWS in the middle of last year's election campaign. It let two $US240 million contracts to two competing contractor teams, which are now working on the best way of building FEWS.

The exact details of the new system remain shrouded in military secretary. It is also unclear exactly when it might start.

Funding for the project remains of concern to a Defence Department that is battling budget cuts at every turn. The new system has an estimated price tag of between $US12 billion and $US17 billion.

Critics say there are serious limitations in a Cold War system like the DSP, which was originally designed to detect Soviet intercontinental balistic missiles, rather than the more common shorterrange misiles now in use.

They say that with more than 20 countries either controlling or seeking to control short or medium-range ballistic missiles, FEWS had to be built because it could detect those missiles better than DSP.

Mr Jeff Richelson, a space surveillance expert who is a consultant to the National Security Archives in Washington says DSP satellites in the eastern hemisphere now have to relay data down to Nurrungar, where it is processed and relayed to the US.

As well as being quicker, he said that by bypassing Australia with FEWS, the US "wouldn't have to worry about troublesome Australian politics".

More than 260 protesters were arrested in the latest demonstration against Nurrungar at Easter this year.

Mr Richelson said that although FEWS could be up and running within the next seven to eight years, he would expect Nurrungar to stay until US defence planners were absolutely sure it was not longer necessary.

"You wouldn't eliminate them (the ground stations) until you were supremely confident it wasn't going to give you problems," he said.

Dr Des Ball, of the Australian National University, who has written extensively on the joint facilities and Australia's role in the early-warning missile detection system, is one of those in favor of an enhanced DSP rather than a FEWS system.

He says he is not yet persuaded of the need for an entirely new system like FEWS and believes the existing DSP satellites could be upgraded to better track mediumrange ballistic missiles.

Troops Begin Returning Home From Cambodia

BK1607073093 Melbourne Radio Australia in English 0500 GMT 16 Jul 93

[Text] A contingent of Australian soldiers and aircraft in Cambodia for the country's elections, today begins returning home. Six Black Hawk helicopters and 120 soldiers based at Battambang in northwestern Cambodia have provided transport support since late May. The first of three sorties is due to arrive in Townsville today aboard the world's largest transport aircraft, a Russian Antonov, with other arrivals due next Sunday and Tuesday. Australia's remaining 500 personnel are due to return in December.

Fiji

Government To Scrap Part of Proposed Labor Reform

BK1607104493 Melbourne Radio Australia in English 0800 GMT 16 Jul 93

[Text] The Fiji Government has decided to scrap part of proposed labor reforms, which would have prevented union officials from holding executive positions in more than one union. Pacific correspondent Erina Reddan says it appears the government is moving on a promise to review the contentious reform package introduced in 1991.

The review was promised as part of a deal last year in which the Labor Party's support gave Sitiveni Rabuka the prime ministership. But the Labor walked out of parliament recently saying Mr. Rabuka had broken this and other promises. The controversial labor laws include making union liable for damages during strikes and that secret ballot be supervised by the registrar of trade unions.